



**Miami Beach Redevelopment Agency  
Commission Chambers, 3rd Floor, City Hall  
1700 Convention Center Drive  
October 15, 2003**



Chairman of the Board David Dermer  
Member of the Board Matti Herrera Bower  
Member of the Board Simon Cruz  
Member of the Board Luis R. Garcia, Jr.  
Member of the Board Saul Gross  
Member of the Board Jose Smith  
Member of the Board Richard L. Steinberg

Executive Director Jorge M. Gonzalez  
Assistant Director Christina M. Cuervo  
Assistant Director Mayra Diaz Buttacavoli  
General Counsel Murray H. Dubbin  
Secretary Robert E. Parcher

**AGENDA**

1. ROLL CALL
2. OLD BUSINESS
  - A Report of the Itemized Revenues and Expenditures of the Miami Beach Redevelopment Agency for the Month Of August 2003. (Page 746)
3. NEW BUSINESS
  - A. A Resolution Of The Chairman And Members Of The Miami Beach Redevelopment Agency, Authorizing The Executive Director, Or His Designee To Select, Negotiate, Award And Reject All Bids, Contracts, Agreements, Purchase Orders, Change Orders And Grant Applications; Renew Existing Contracts Which May Expire; Terminate Existing Contracts As Needed; From The Last Commission Meeting On October 15, 2003, Until The First Regularly Scheduled Commission Meeting In November 25, 2003, Subject To Ratification By The City Commission At Its First Regularly Scheduled Meeting In November 25, 2003. **Joint City Commission And Redevelopment Agency.** (Page 786)
  - B. Status Report On The Negotiations Between The City Of Miami Beach, The Miami Beach Redevelopment Agency and RDP Royal Palm Hotel Partnership ("RDP"). (Page 789)

**End Of RDA Agenda**



## **HOW A PERSON MAY APPEAR BEFORE THE REDEVELOPMENT AGENCY OF THE CITY OF MIAMI BEACH, FLORIDA**

The regularly scheduled meetings of the Redevelopment Agency are established by Resolution and are generally held on the same day the Miami Beach City Commission holds their regularly scheduled meetings. The Redevelopment Agency meetings commence at 10:00 a.m.

1. Jorge M. Gonzalez has been designated as the Agency's Executive Director.  
Robert Parcher has been designated as the Agency's Secretary.
2. Person requesting placement of an item on the agenda must provide a written statement to the Agency Executive Director, 4th Floor, City Hall, 1700 Convention Center Drive, telephone 673-7285, outlining the subject matter of the proposed presentation. In order to determine whether or not the request can be handled administratively, an appointment will be set up to discuss the matter with a member of the Executive Director's staff. Procedurally, "Request for Agenda Consideration" will not be placed upon the Agency agenda until after Administrative staff review. Such review will ensure that the issue has been addressed in sufficient detail so that the Agency members may be fully apprised of the matter to be presented. Persons will be allowed three (3) minutes to make their presentation and will be limited to those subjects included in their written request. Such written requests must be received in the Executive Director's office no later than noon on Tuesday of the week prior to the scheduled Agency meeting to allow time for processing and inclusion in the agenda package.
3. Once an agenda for the Redevelopment Agency meeting is published, and a person wishes to speak on items listed on the agenda, he/she may call or come to the Agency Secretary's Office, 1st floor, City Hall, 1700 Convention Center Drive, telephone 673-7411, before 5:00 p.m., on the Tuesday prior to the Agency meeting and give their name, the agenda item to be discussed and, where known, the agenda item number.

Copies of the Agency agenda may be reviewed at the Agency's Secretary Office (City Clerk's Office) on the Monday prior to the Agency's regular meeting.

The complete agenda, with all backup material, is available for inspection on the Monday prior to the Agency meeting at the Agency Secretary office (City Clerk's Office).

4. All persons who have been listed by the Agency Secretary to speak on the agenda item in which they are specifically interested, will be allowed up to three (3) minutes to present their views.

Robert Parcher  
Agency Secretary

March 7, 2001

**CITY OF MIAMI BEACH**  
**2003 CITY COMMISSION**  
**AND**  
**REDEVELOPMENT AGENCY**  
**MEETINGS**

January 8 (Wednesday)

February 5 (Wednesday)

February 26 (Wednesday)

March 19 (Wednesday)

April 9 (Wednesday)

April 30 (Wednesday)

May 21 (Wednesday)

June 11 (Wednesday)

July 2 (Wednesday)

July 30 (Wednesday)

**August City Commission is in recess**

September 10 (Wednesday)

October 15 (Wednesday)

November 5 (Wednesday)

November 19 (Wednesday)\*

November 25 (Tuesday)

December 10 (Wednesday)

\* If a runoff election is necessary

**REPORT OF THE ITEMIZED  
REVENUES AND EXPENDITURES  
  
OF THE  
  
MIAMI BEACH REDEVELOPMENT  
AGENCY  
  
FOR THE MONTH OF  
AUGUST 2003**

Agenda Item 2A  
Date 10-15-03

# MIAMI BEACH REDEVELOPMENT AGENCY

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139  
www.ci.miami-beach.fl.us



## REDEVELOPMENT AGENCY MEMORANDUM

**To:** Chairman and Members of  
the Miami Beach Redevelopment Agency

**Date:** October 15, 2003

**From:** Jorge M. Gonzalez  
Executive Director

**Subject: REPORT OF THE ITEMIZED REVENUES AND EXPENDITURES OF THE  
MIAMI BEACH REDEVELOPMENT AGENCY FOR THE ELEVEN MONTHS  
ENDED AUGUST 31, 2003**

On July 15, 1998 the Chairman and Members of the Board of the Miami Beach Redevelopment Agency resolved that an itemized report of the revenues and expenditures of the Miami Beach Redevelopment Agency, with respect to each redevelopment area, would be made available to the Chairman and Members of the Board of the Miami Beach Redevelopment Agency at the end of each month. Further, it was resolved that such report would be made available no later than five days prior to the second regularly scheduled Redevelopment Agency meeting in the month immediately following the month for which such report is prepared and that the report would be placed on the Redevelopment Agency Agenda for the second meeting of each month as a discussion item. Because the distribution date for the second Commission meeting of some months falls prior to our receipt of bank statements for the month, we advised on October 21, 1998, that beginning with the report for the month ending October 31, 1998 all monthly Redevelopment Agency reports would henceforth be included as part of the agenda for the first Commission meeting of each month.

The attached material includes the following:

### **Section A - South Pointe Redevelopment District**

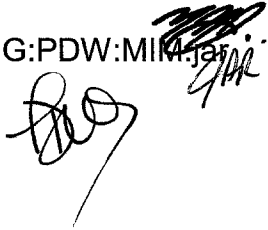
- Summary of Cash Basis Transactions by Project and by Expenditure Type for the Fiscal Years Ended September 30, 1988 through 2002 and the Eleven-Months Ended August 31, 2003
- Check and Wire Transfer Register sorted by Project and Type of Expenditure for the Eleven-Months Ended August 31, 2003
- Narrative of Major Projects Planned and/or Underway

### **Section B - City Center Redevelopment District**

- Summary of Cash Basis Transactions by Project and by Expenditure Type for the Fiscal Years Ended September 30, 1988 through 2002 and the Eleven-Months Ended August 31, 2003

- Check and Wire Transfer Register sorted by Project and Type of Expenditure for the Eleven-Months Ended August 31, 2003
- Narrative of Major Projects Planned and/or Underway

JMG:PDW:MIK:jar

Handwritten signatures and initials. A large, stylized signature is on the left, and a smaller signature with the initials 'MIK' is on the right, positioned above the typed name 'MIK:jar'.

**SOUTH POINTE**

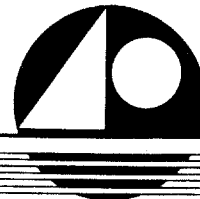
**REDEVELOPMENT DISTRICT**

**FINANCIAL INFORMATION**

**FOR THE MONTH ENDED**

**AUGUST 31, 2003**





**October 15, 2003**

**TO: Jorge M. Gonzalez, Executive Director**

**FROM: Patricia D. Walker, Chief Financial Officer**  
**City of Miami Beach**

**SUBJECT: South Pointe Redevelopment District Financial Information**  
**For the Eleven Months Ended August 31, 2003**

At the July 15, 1998 Commission/Redevelopment Agency meeting a request was made for monthly financial information for the South Pointe Redevelopment District. The information has been compiled and is attached.

**Historical Cash Basis Financial Information**

The summary report included in the attached material, reflects that during the period from October 1, 1987 through August 31, 2003 approximately \$85,324,000 of revenues were received in the South Pointe District of the Redevelopment Agency ("RDA").

The primary sources of these revenues included approximately:

\$ 65,741,000 - Incremental Ad Valorem tax;  
\$ 6,860,000 - Bond proceeds;  
\$ 5,188,000 - Land sale;  
\$ 2,808,000 - Rental income;  
\$ 2,667,000 - Interest income;  
\$ 1,000,000 - Loan from the City of Miami Beach;  
\$ 350,000 - State Grant; and  
\$ 710,000 - From various sources.

The opening cash balance for October 1, 1987 was approximately \$1,042,000; therefore, the total amount of funds available for the period was \$ 86,366,000.

On the expenditure side, approximately \$61,049,000 has been expended from October 1, 1987 through August 31, 2003.

**SOUTH POINTE**  
**Redevelopment District**

**CITY CENTER**  
**Redevelopment District**

These approximate expenditures were primarily made in the following areas:

- \$ 15,608,000 - Cobb/Courts Project;
- \$ 12,350,000 - Debt Service Payments;
- \$ 6,697,000 - Portofino Project;
- \$ 8,245,000 - South Pointe Streetscape/Park
- \$ 5,574,000 - Marina Project;
- \$ 5,011,000 - Administrative Costs;
- \$ 5,430,000 - SSDI Project
- \$ 1,045,000 - Carner-Mason Settlement and Other Reimbursements, and
- \$ 1,089,000 - Other Project Costs.

The cash balance as of August 31, 2003 is approximately \$25,317,000. This balance consisted of the following amounts:

- \$ 23,804,000 – Cash and Investment balance,
- \$ 71,000 – 1989 Bonds Sinking Fund Interest Account,
- \$ 704,000 – 1989 Bonds Sinking Debt Service Reserve Account,
- \$ 738,000 – 1989 Bonds Sinking Fund Principal Account.

JMG:PDW:MIM:jar.  


**SUMMARY OF**  
**CASH BASIS TRANSACTIONS**  
**FOR THE MONTH ENDED**  
**AUGUST 31, 2003**

**Redevelopment Agency - South Pointe District**  
**Summary of Cash Basis Transactions by Project**  
**Fiscal Years 1988 - 2003 (through August 31, 2003)**

	Prior Years	FY 2003	Total Rev./Expend.
<b>OPENING CASH/INVSTMT BALANCE</b>	\$ 1,041,730	\$ 19,252,703	
<b>REVENUE</b>			
- Tax increment - City	30,169,215	5,418,273	\$ 35,587,488
- Tax increment - County	25,409,922	4,716,690	30,126,612
- Tax increment (Interest) - County	26,627	-	26,627
- Bond proceeds	6,860,000	-	6,860,000
- Cobb Partners - Closing Parcel 1, 2	5,187,944	-	5,187,944
- Marina rental income	2,650,814	157,700	2,808,514
- Interest income	2,635,648	31,060	2,666,708
- Loan from City	1,000,000	-	1,000,000
- Grants (Fla. Inland Navig.; shoreline restore.)	350,000	-	350,000
- St. sales tax (receipt - income for pmt. to St)	164,536	9,810	174,346
- Daughters of Israel contrib.-reloc. Mikvah	28,000	-	28,000
- Consulting fee refund-Rahn S. Beach	27,026	-	27,026
- Olympus Hldg.-reimb. Portofino advertsg.	24,405	-	24,405
- Mendelson environ. reimb./refund	10,000	-	10,000
- Regosa Engineering refund - Marina	8,500	-	8,500
- Portofino DRI Payment from Greenberg T.	18,056	-	18,056
- Payment received from Greenberg T. for CMB	23,500	-	23,500
- Payment received from Olympus Holdings, Inc.	96,276	-	96,276
- Payment received from Marquesa, Inc.	2,000	-	2,000
- Cost of asbestos remediation reimb.-Cobb	5,800	-	5,800
- Miscellaneous income	4,719	-	4,719
- Galbut & Galbut contrib.-reloc. Mikvah	3,500	-	3,500
- Murano Two, Ltd-Cash Bond per Agreement	-	242,000	242,000
- Other (void ck; IRS refund; Am. Bonding)	41,484	182	41,666
<b>Total Revenues</b>	<b>74,747,972</b>	<b>10,575,715</b>	<b>\$ 85,323,687</b>

**EXPENDITURES**

**PROJECTS**

Cobb/Courts	(15,608,223)	-	(15,608,223)
Marina	(5,429,724)	(143,818)	(5,573,542)
Portofino	(6,557,592)	(139,298)	(6,696,890)
South Pointe Streetscape	(6,962,758)	(1,282,113)	(8,244,871)

**Redevelopment Agency - South Pointe District**  
**Summary of Cash Basis Transactions by Project**  
**Fiscal Years 1988 - 2003 (through August 31, 2003)**

	Prior Years	FY 2003	Total Rev./Expend.
SSDI	(3,426,919)	(2,002,775)	(5,429,694)
Fifth St. Beautification	(300,000)	-	(300,000)
Beach Colony (l'scape/stscape/site imprvmt)	(80,912)	-	(80,912)
Marriott	(53,061)	-	(53,061)
Washington Ave.	(467,488)	(3,251)	(470,739)
Design guidelines	(43,708)	-	(43,708)
MBTMA/Mobility	(32,225)	-	(32,225)
S. Pointe Zoning	(20,819)	-	(20,819)
Alaska Baywalk	(6,625)	(27,810)	(34,435)
Victory/Community Gardens	(3,552)	(5,102)	(8,654)
Miscellaneous	(7,649)	(36,907)	(44,556)
<b>Total Projects</b>	<b>(39,001,255)</b>	<b>(3,641,074)</b>	<b>(42,642,329)</b>
<b><u>ADMINISTRATIVE</u></b>	<b>(4,986,469)</b>	<b>(24,662)</b>	<b>(5,011,131)</b>
<b><u>Debt Service/Loan Repayment</u></b>	<b>(11,504,542)</b>	<b>(845,865)</b>	<b>(12,350,407)</b>
<b><u>Miscellaneous</u></b>			
Carner Mason settlement	(946,163)	-	(946,163)
City of Miami Beach (reimburse water main)	(74,067)	-	(74,067)
Miscellaneous	(24,503)	-	(24,503)
	<b>(1,044,733)</b>	<b>-</b>	<b>(1,044,733)</b>
<b>Total expenditures</b>	<b>(56,536,999)</b>	<b>(4,511,601)</b>	<b>\$ (61,048,600)</b>
<b>ENDING CASH/INVSTMT. BALANCE</b>	<b>\$ 19,252,703</b>	<b>\$ 25,316,817</b>	

**Redevelopment Agency - South Pointe District**  
**Summary of Cash Basis Transactions by Expenditure Type**  
**Fiscal Years 1988 - 2003 (through August 31, 2003)**

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<b>REVENUE</b>			
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- Tax increment - County	25,409,922	4,716,690	30,126,612
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- Cobb Partners - Closing Parcel 1, 2	5,187,944	-	5,187,944
- Marina rental income	2,650,814	157,700	2,808,514
- Interest income	2,635,648	31,060	2,666,708
- Loan from City	1,000,000	-	1,000,000
- Grants (Fla. Inland Navig.; shoreline restore.)	350,000	-	350,000
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<b>Total Revenues</b>	<b>74,747,972</b>	<b>10,575,715</b>	<b>\$ 85,323,687</b>

**Expenditures**

Land acquisition	(9,444,065)	-	\$ (9,444,065)
Legal fees/costs	(6,552,287)	(102,380)	(6,654,667)
Professional services	(3,052,510)	(537,019)	(3,589,529)
Construction	(10,338,765)	(2,772,638)	(13,111,403)
Utilities relocation	(1,873,213)	-	(1,873,213)
Environmental	(397,344)	-	(397,344)

**Redevelopment Agency - South Pointe District**  
**Summary of Cash Basis Transactions by Expenditure Type**  
**Fiscal Years 1988 - 2003 (through August 31, 2003)**

	Prior Years	FY 2003	Total Rev./Expend.
Submerged land lease	(1,575,421)	(143,818)	(1,719,239)
Lease agreements	(2,433,437)	-	(2,433,437)
Miscellaneous	(2,148,831)	-	(2,148,831)
Property Taxes	(178,630)	(48,312)	(226,942)
Administration	(4,986,469)	(24,662)	(5,011,131)
Debt Service/loan repayment	(11,504,542)	(845,865)	(12,350,407)
Miscellaneous Project Costs	(2,051,485)	(36,907)	(2,088,392)
	<u>(56,536,999)</u>	<u>(4,511,601)</u>	<u>\$ (61,048,600)</u>
<b>ENDING CASH/INVSTMT. BALANCE</b>	<u>\$ 19,252,703</u>	<u>\$ 25,316,817</u>	

**CHECK & WIRE TRANSFER  
REGISTER**

**SORTED BY**

**PROJECT & TYPE OF  
EXPENDITURE**

**FOR THE MONTH ENDED  
AUGUST 31, 2003**



**Redevelopment Agency - South Pointe District**  
**Check & Wire Transfer Register by Project & Type of Expense**  
**Fiscal Year 2003 (through August 31, 2003)**

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
5939	11/20/02	***Void***	0.00		Administration
5964	03/13/03	***Void***	0.00		Administration
5965	03/13/03	***Void***	0.00		Administration
5966	03/13/03	***Void***	0.00		Administration
5971	03/13/03	***Void***	0.00		Administration
6000	05/12/03	***Void***	0.00		Administration
6001	05/12/03	***Void***	0.00		Administration
6027	07/23/03	***Void***	0.00		Administration
			<u>0.00</u>		
5929	10/14/02	Department of Community Affairs	87.50	Miscellaneous (fee)	Administration
5930	10/14/02	Iron Mountain	36.66	Miscellaneous (storage)	Administration
5936	11/18/02	Nu-Art Signs	275.00	Miscellaneous (Temp. Signs Marina)	Administration
5937	01/06/03	Software House International	184.00	Miscellaneous	Administration
5955	01/30/03	Florida Redevelopment Association	23.00	Miscellaneous	Administration
5962	03/06/03	Comet Courier Corp	13.70	Miscellaneous (courier)	Administration
5976	03/18/03	Iron Mountain	36.66	Miscellaneous (storage)	Administration
5981	04/07/03	City of Miami Beach	156.00	Miscellaneous	Administration
5982	04/07/03	Anna Parekh	31.34	Miscellaneous	Administration
5983	04/07/03	Anna Parekh	36.07	Miscellaneous	Administration
5984	04/07/03	Iron Mountain	74.24	Miscellaneous (storage)	Administration
5988	04/16/03	Comet Courier Corp	11.43	Miscellaneous (courier)	Administration
5989	04/16/03	Commercial Real Estate Women	45.00	Miscellaneous (seminar)	Administration
5990	04/16/03	Commercial Real Estate Women	45.00	Miscellaneous (seminar)	Administration
5991	04/16/03	National Businesswomen's Leadership Assoc.	139.00	Miscellaneous (seminar)	Administration
5992	04/16/03	Iron Mountain	36.66	Miscellaneous (storage)	Administration
6019	06/24/03	Iron Mountain	74.52	Miscellaneous (storage)	Administration
6022	07/10/03	City of Miami Beach	11.25	Miscellaneous (carpool)	Administration
6026	07/18/03	The Miami Herald	281.25	Miscellaneous	Administration
6032	07/29/03	International Council of Shopping Centers	50.00	Miscellaneous	Administration
6037	08/07/03	Anna Parekh	68.88	Miscellaneous	Administration
6039	08/14/03	Caxton Newspaper, Inc.	225.00	Miscellaneous	Administration
			<u>1,942.16</u>		
5922	10/14/02	Corporate Express	166.80	Office Supplies	Administration
5932	10/23/02	Corporate Express	94.87	Office Supplies	Administration
5940	12/03/02	Corporate Express	59.40	Office Supplies	Administration
5954	01/13/03	Corporate Express	47.12	Office Supplies	Administration
5956	02/11/03	Corporate Express	51.66	Office Supplies	Administration
5974	03/18/03	Corporate Express	132.20	Office Supplies	Administration
5980	04/07/03	Corporate Express	194.35	Office Supplies	Administration
6003	05/12/03	Corporate Express	445.20	Office Supplies	Administration
6004	05/12/03	Corporate Express	40.76	Office Supplies	Administration
6014	06/11/03	Corporate Express	25.44	Office Supplies	Administration
6042	08/18/03	Corporate Express	148.81	Office Supplies	Administration
			<u>1,406.61</u>		
Wire	10/12/02	Florida Department of Revenue	276.70	Sales Tax	Administration
Wire	11/09/02	Florida Department of Revenue	276.70	Sales Tax	Administration
Wire	12/18/02	Florida Department of Revenue	2,367.51	Sales Tax	Administration
Wire	01/11/03	Florida Department of Revenue	276.70	Sales Tax	Administration
Wire	02/14/03	Florida Department of Revenue	495.46	Sales Tax	Administration
Wire	03/13/03	Florida Department of Revenue	299.79	Sales Tax	Administration
Wire	04/15/03	Florida Department of Revenue	4,202.71	Sales Tax	Administration
Wire	05/16/03	Florida Department of Revenue	2,653.57	Sales Tax	Administration
Wire	06/13/03	Florida Department of Revenue	299.79	Sales Tax	Administration
Wire	07/15/03	Florida Department of Revenue	299.79	Sales Tax	Administration
Wire	08/19/03	Florida Department of Revenue	299.79	Sales Tax	Administration
			<u>11,748.51</u>		
5923	10/14/02	City of Miami Beach	1,957.74	Mailing & Printing	Administration
5924	10/14/02	City of Miami Beach	4.56	Mailing & Printing	Administration
5944	12/23/02	City of Miami Beach	8.49	Mailing & Printing	Administration
5945	12/23/02	City of Miami Beach	63.32	Mailing & Printing	Administration
5953	01/13/03	City of Miami Beach	9.00	Mailing & Printing	Administration
5958	02/11/03	City of Miami Beach	86.71	Mailing & Printing	Administration
5968	03/13/03	City of Miami Beach	65.91	Mailing	Administration
5985	04/07/03	City of Miami Beach	12.85	Mailing	Administration

**Redevelopment Agency - South Pointe District**  
**Check & Wire Transfer Register by Project & Type of Expense**  
**Fiscal Year 2003 (through August 31, 2003)**

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
6008	05/19/03	City of Miami Beach	4.16	Mailing	Administration
6017	06/11/03	City of Miami Beach	63.69	Mailing	Administration
6022	07/10/03	City of Miami Beach	2.22	Mailing	Administration
6035	08/07/03	City of Miami Beach	64.06	Mailing	Administration
			<u>2,342.71</u>		
5961	02/24/03	T-Square	105.00	Printing	Administration
5968	03/13/03	City of Miami Beach	2.21	Printing	Administration
5985	04/07/03	City of Miami Beach	165.70	Printing	Administration
6010	05/19/03	T-Square	105.00	Printing	Administration
6017	06/11/03	City of Miami Beach	66.11	Printing	Administration
6022	07/10/03	City of Miami Beach	31.25	Printing	Administration
			<u>475.27</u>		
5959	02/11/03	KPMG, LLP	3,000.00	Professional Services/Audit	Administration
5960	02/13/03	Squire, Sanders & Dempsey, LLP	577.50	Professional Services/Legal	Administration
5963	03/13/03	David Wood Temporaries	180.09	Prof. Services/Temp. Labor	Administration
5975	03/18/03	David Wood Temporaries	198.72	Prof. Services/Temp. Labor	Administration
5998	05/01/03	David Wood Temporaries	465.75	Prof. Services/Temp. Labor	Administration
6002	05/12/03	David Wood Temporaries	290.75	Prof. Services/Temp. Labor	Administration
6009	05/19/03	David Wood Temporaries	122.48	Prof. Services/Temp. Labor	Administration
6012	06/02/03	David Wood Temporaries	159.75	Prof. Services/Temp. Labor	Administration
6015	06/11/03	David Wood Temporaries	156.57	Prof. Services/Temp. Labor	Administration
6016	06/11/03	David Wood Temporaries	121.41	Prof. Services/Temp. Labor	Administration
6018	06/17/03	David Wood Temporaries	103.84	Prof. Services/Temp. Labor	Administration
6021	07/08/03	David Wood Temporaries	247.61	Prof. Services/Temp. Labor	Administration
6034	07/31/03	David Wood Temporaries	175.19	Prof. Services/Temp. Labor	Administration
6038	08/07/03	David Wood Temporaries	127.80	Prof. Services/Temp. Labor	Administration
6040	08/14/03	David Wood Temporaries	356.25	Prof. Services/Temp. Labor	Administration
6041	08/14/03	David Wood Temporaries	122.48	Prof. Services/Temp. Labor	Administration
6043	08/20/03	David Wood Temporaries	142.00	Prof. Services/Temp. Labor	Administration
6046	08/27/03	David Wood Temporaries	198.80	Prof. Services/Temp. Labor	Administration
			<u>6,746.99</u>		
<b>TOTAL ADMINISTRATION</b>			<b>24,662.25</b>		
Wire	02/05/03	Miami Beach Redevelopment Agency	857,049.78	Tranfer for 6/03 & 12/03 D.S. (from GF)	Debt Service Funding
			<u>857,049.78</u>		
Wire	12/02/02	Wachovia Bank	675,000.00	Debt Service Payment-Principal	Debt Service Payment
Wire	12/02/02	Wachovia Bank	100,831.25	Debt Service Payment-Interest	Debt Service Payment
Wire	06/02/03	Wachovia Bank	70,034.38	Debt Service Payment-Interest	Debt Service Payment
			<u>845,865.63</u>		
<b>TOTAL DEBT SERVICE</b>			<b>1,702,915.41</b>		
5978	03/20/03	Department of Environmental Protection	143,818.02	Submerged Land Lease	Marina
			<u>143,818.02</u>		
<b>TOTAL MARINA</b>			<b>143,818.02</b>		
5925	10/14/02	Steel, Hector & Davis, LLP	4,603.50	Legal Fees	Portofino
5926	10/14/02	Steel, Hector & Davis, LLP	4,245.00	Legal Fees	Portofino
5927	10/14/02	Steel, Hector & Davis, LLP	2,574.00	Legal Fees	Portofino
5928	10/14/02	Jorden Burt Boros Cicchetti Berenson & Johnson	4,741.00	Legal Fees	Portofino
5950	01/13/03	Jorden Burt Boros Cicchetti Berenson & Johnson	2,166.09	Legal Fees	Portofino
5951	01/13/03	Jorden Burt Boros Cicchetti Berenson & Johnson	10,018.63	Legal Fees	Portofino
5977	03/18/03	Jorden Burt Boros Cicchetti Berenson & Johnson	3,089.48	Legal Fees	Portofino
5979	04/04/03	Jorden Burt Boros Cicchetti Berenson & Johnson	4,930.24	Legal Fees	Portofino
5994	04/16/03	Jorden Burt Boros Cicchetti Berenson & Johnson	4,768.69	Legal Fees	Portofino
5995	04/16/03	Jorden Burt Boros Cicchetti Berenson & Johnson	18,750.00	Legal Fees	Portofino
6013	06/02/03	Jorden Burt Boros Cicchetti Berenson & Johnson	684.58	Legal Fees	Portofino
6020	06/24/03	Jorden Burt Boros Cicchetti Berenson & Johnson	3,412.27	Legal Fees	Portofino
6025	07/16/03	Cooper, Rebertson & Partners	218.52	Professional Services (consultant)	Portofino
6033	07/31/03	Steel, Hector & Davis, LLP	59.60	Legal Fees	Portofino

**Redevelopment Agency - South Pointe District**  
**Check & Wire Transfer Register by Project & Type of Expense**  
**Fiscal Year 2003 (through August 31, 2003)**

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
6036	08/07/03	The Miami Herald	222.75	Public Meeting Ad	Portofino
			<u>64,484.35</u>		
5937	11/20/02	Miami-Dade County Tax Collector	24,914.04	Ad Valorem Prop. Tax - Yacht Club	Portofino
5938	11/20/02	Miami-Dade County Tax Collector	23,397.51	Ad Valorem Prop. Tax - Murano	Portofino
			<u>48,311.55</u>		
5933	10/23/02	Hazen & Sawyer, P.C.	17,061.70	Murano Grande-Phase I Preconst. Act.	Portofino
5946	12/26/02	Hazen & Sawyer, P.C.	4,763.31	Murano Grande-Phase I Preconst. Act.	Portofino
5967	03/13/03	Hazen & Sawyer, P.C.	4,676.64	Murano Grande-Phase I Preconst. Act.	Portofino
			<u>26,501.65</u>		
5935	11/07/02	Murano Two, Ltd.	276,578.48	Murano Grande-Phase I (SSDI-North)	Portofino
5947	12/26/02	Murano Two, Ltd.	188,164.06	Murano Grande-Phase I (SSDI-North)	Portofino
5969	03/13/03	Murano Two, Ltd.	97,874.96	Murano Grande-Phase I (SSDI-North)	Portofino
5970	03/13/03	Murano Two, Ltd.	68,928.75	Murano Grande-Phase I (SSDI-North)	Portofino
5972	03/13/03	Murano Two, Ltd.	101,054.34	Murano Grande-Phase I (SSDI-North)	Portofino
6028	07/23/03	Murano Two, Ltd.	589,623.52	Murano Grande-Phase I (SSDI-North)	Portofino
6029	07/23/03	Murano Two, Ltd.	467,809.45	Murano Grande-Phase I (SSDI-North)	Portofino
6044	08/21/03	Murano Two, Ltd.	212,741.04	Murano Grande-Phase I (SSDI-North)	Portofino
			<u>2,002,774.60</u>		
<b>TOTAL PORTOFINO</b>			<b>2,142,072.15</b>		
5931	10/14/02	Siegfried, Rivera, Lerner, De La Torre & Sobel	6,392.75	Legal Fees	S. Pointe Streetscape
5943	12/23/02	Siegfried, Rivera, Lerner, De La Torre & Sobel	9,290.83	Legal Fees	S. Pointe Streetscape
5949	01/06/03	Siegfried, Rivera, Lerner, De La Torre & Sobel	1,480.50	Legal Fees	S. Pointe Streetscape
5952	01/13/03	Siegfried, Rivera, Lerner, De La Torre & Sobel	5,250.17	Legal Fees	S. Pointe Streetscape
5957	02/11/03	Siegfried, Rivera, Lerner, De La Torre & Sobel	2,860.05	Legal Fees	S. Pointe Streetscape
5993	04/16/03	Siegfried, Rivera, Lerner, De La Torre & Sobel	9,085.34	Legal Fees	S. Pointe Streetscape
5996	04/24/03	Siegfried, Rivera, Lerner, De La Torre & Sobel	3,977.10	Legal Fees	S. Pointe Streetscape
			<u>38,336.74</u>		
5934	10/24/02	Hazen & Sawyer, P.C.	27,249.98	Professional Services-SP Street Ph. 1	S. Pointe Streetscape
5941	12/09/02	Burkhardt Construction, Inc.	693,106.37	Construction Costs-SP Street Ph.1	S. Pointe Streetscape
5942	12/12/02	Hazen & Sawyer, P.C.	860.29	Professional Services-SP Street Ph. 1	S. Pointe Streetscape
5973	03/13/03	Hazen & Sawyer, P.C.	4,241.45	Professional Services-SP Street Ph. 2	S. Pointe Streetscape
5986	04/07/03	Wolfberg Alvarez	45,086.90	Professional Services-SP Street Ph. 2	S. Pointe Streetscape
5999	05/01/03	Wolfberg Alvarez	21,768.82	Professional Services-SP Street Ph. 2	S. Pointe Streetscape
6005	05/15/03	City of Miami Beach	98,495.65	Reimb. CMB for Hazen & Sawyer	S. Pointe Streetscape
6006	05/15/03	City of Miami Beach	94,705.49	Reimb. CMB for Construct. Mgmt	S. Pointe Streetscape
6007	05/15/03	City of Miami Beach	125,047.06	Reimb. CMB for Hazen & Sawyer	S. Pointe Streetscape
6011	05/23/03	Wolfberg Alvarez	6,470.71	Professional Services-SP Street Ph. 2	S. Pointe Streetscape
6024	07/15/03	City of Miami Beach	8,242.35	Reimb. CMB for Wolfberg Alvarez (Ph2)	S. Pointe Streetscape
6030	07/23/03	Delta Fountains	1,181.77	Construction Costs-SP Street Ph.1	S. Pointe Streetscape
6031	07/25/03	Wolfberg Alvarez	15,139.96	Professional Services-SP Street Ph. 2	S. Pointe Streetscape
6045	08/21/03	Burkhardt Construction, Inc.	75,575.02	Construction Costs-SP Street Ph.1	S. Pointe Streetscape
			<u>1,217,171.82</u>		
<b>TOTAL S. POINTE STREETSCAPE</b>			<b>1,255,508.56</b>		
6006	05/15/03	City of Miami Beach	26,598.00	Reimb. CMB for Construct. Mgmt	S. Pointe Park
6023	07/14/03	City of Miami Beach	6.71	Reimb. CMB for Bermello, Ajamil	S. Pointe Park
			<u>26,604.71</u>		
<b>TOTAL S. POINTE PARK</b>			<b>26,604.71</b>		
6006	05/15/03	City of Miami Beach	3,251.00	Reimb. CMB for Construct. Mgmt	Washington Park
			<u>3,251.00</u>		
<b>TOTAL WASHINGTON PARK</b>			<b>3,251.00</b>		
6005	05/15/03	City of Miami Beach	8,150.06	Reimb. CMB for Hazen & Sawyer	Sixth St. Streetscape

Redevelopment Agency - South Pointe District  
Check & Wire Transfer Register by Project & Type of Expense  
Fiscal Year 2003 (through August 31, 2003)

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
6007	05/15/03	City of Miami Beach	<u>1,551.17</u> <u>9,701.23</u>	Reimb. CMB for Hazen & Sawyer	Sixth St. Streetscape
<b>TOTAL 6TH STREET STREETSCAPE</b>			<b>9,701.23</b>		
5987	04/08/03	Coastal Systems International, Inc.	<u>2,861.81</u>	Professional Services	Victory Gardens
6006	05/15/03	City of Miami Beach	<u>2,240.00</u> <u>5,101.81</u>	Reimb. CMB for Construct. Mgmt	Victory Gardens
<b>TOTAL VICTORY GARDENS</b>			<b>5,101.81</b>		
5997	04/28/03	East Coastline Development, Ltd.	<u>27,809.73</u> <u>27,809.73</u>	Annual Insurance Premium	Alaska Baywalk
<b>TOTAL ALASKA BAYWALK</b>			<b>27,809.73</b>		
6006	05/15/03	City of Miami Beach	<u>27,205.80</u> <u>27,205.80</u>	Reimb. CMB for Construct. Mgmt	Pump Station Upgrade
<b>TOTAL WATER/SEWER PUMP STATION UPGRADE</b>			<b>27,205.80</b>		
<b>REPORT TOTAL</b>			<b><u>\$ 5,368,650.67</u></b>		

**ATTACHMENT “A”**

**SUMMARY OF MAJOR  
PROJECTS**

## **REDEVELOPMENT PROJECTS (Planned and/or Underway)**

### **South Pointe Projects:**

#### **Project**

**Status - as of 08/31/03**

#### **Courts and Cosmopolitan Project (Formerly the Courts of South Beach)**

A Mediterranean town-house development located between First and Second Streets and between Alton Road and Washington Avenue. The project is the subject of a Development Agreement, executed by the RDA in 1989. Approximately 164 residential condominium units and various commercial units were completed in Phases I, II and III. Phase IV, consisting of 231 residential units and 10 commercial units is under construction and expected to be completed by January 2004. Phase V, consisting of 23 residential units received a TCO in early May, 2003.

In conformance with the original Development Agreement, the developer has completed construction of a Piazza located within the Phase II and III portion of the project on Alton Rd. at 2<sup>nd</sup> Street which includes landscaping and pavers (paid for by the developer) of a bus station shelter.

Since the execution of the original Development Agreement, the development rights have transitioned to two additional developers. Groupe Pacific is currently the Developer of Record and is now heading the design and construction of the final phases.

**Total Project Cost:** Est. \$100 Million

**Total CRA participation:** Est. \$16.5 Million - Land acquisition and related administrative and construction expenses.

#### **Library Project**

As part of the Courts Settlement Agreement, the RDA has exercised an option to purchase and contribute to the City of Miami Beach, a 5,000 square foot commercial condominium space in Phase I of the project, which is to be utilized as a Library or for other public usage that is mutually agreed to by the parties. The RDA shall pay \$275,000 in 10 yearly installments commencing on the closing date, which is scheduled to occur on September 30, 2004.

**Total Project Cost:** \$795,000

**Total CRA participation:** \$275,000

#### **Community/Victory Garden**

In an effort to provide increased parking in the South Pointe area, and in an effort to maximize the future use of City assets, the Community Garden located at 131-139 Washington Avenue will be moved to 224 Collins Avenue. From March 2001 through September 2001, several Community meetings were held to discuss this issue with residents and City Staff.

## **Project**

## **Status - as of 08/31/03**

### **Community/Victory (con't)**

In January 2002, an Architectural and Engineering Firm was selected, and on March 19, 2003, the Board ratified the selection of the artist for the project as recommended by the Art in Public Places Committee. Construction documents are 100% complete. The project, which will be initiated through the JOC process, is projected to be completed by the end of 2003.

**Total Project Cost:** Est. \$84,000

**Total CRA participation:** Est. \$84,000

### **Portofino**

Development of the Miami Beach Marina (SSDI North & South) and several other properties owned by the Portofino Group in the South Pointe Area. Portofino's properties west of Washington Ave. are subject to a DRI and their development is conditioned by a Settlement Agreement with the RDA (1998). The first phase involving Portofino Tower, a 228-unit luxury condominium was completed in 1997. The second phase is the Yacht Club at Portofino a 361-unit luxury condominium, on the south part of the Marina (SSDI South), and the adjacent Murano Tower, a 189-unit luxury condominium, which was completed in 2002. The RDA's responsibilities relative to these developments include the reimbursement to the Developer for utility relocations, the completion and repair of the seawall and baywalk, public parking for the Marina (located in the first floor of each of the projects' parking garages) and certain streetscape improvements. The third phase, involving the construction of two luxury condominium towers, Murano Grande and Icon, which will house approximately 555 units, is underway. During the first week of May, Murano Grande received a TCO, and the developer broke ground on the ICON project, which is expected to take 18-24 months to complete.

**Total CRA participation:** Est. \$14 Million - utility relocations, completion and repair of the seawall and baywalk, public parking for the Marina and certain streetscape improvements.

### **Temporary Alaska Parcel Baywalk**

In connection with parking lots constructed south of South Pointe Drive, and pursuant to a Planning Board Order issued on August 22, 2001, the property owner of the Alaska Parcel agreed to grant the City/RDA a temporary non-exclusive baywalk access easement over and upon the setback area solely for the purposes of public access and to allow the City/RDA to construct, operate and maintain a temporary baywalk for the duration of the period of time that the Alaska Bayfront Assemblage is utilized for temporary parking purposes. Consequently, on May 29, 2002, Resolution 421-2002 was passed appropriating \$171,000 from South Pointe Tax Increment Funds for the construction costs of a temporary pedestrian baywalk. On March 19, 2003, Resolution 447-2003 accepted a grant of a temporary baywalk easement, and further appropriated an amount not to exceed \$60,000 for the operation and maintenance of the baywalk. Construction of

## **Project**

**Status - as of 08/31/03**

### **Temporary Alaska Parcel Baywalk (con't)**

the temporary baywalk was completed in August, 2003.

**Total CRA participation:** \$231,000 for construction, operation and maintenance of baywalk.

### **Streetscape Improvements**

A \$27 million streetscape improvement project for the South Pointe Area, based on a Master Plan and preliminary design by Duany Plater-Zyberk and endorsed by South Pointe Advisory Board; Phase I of the streetscape improvements, comprising Third Street and Washington Avenue, including its two-block extension in South Pointe Park, was completed in October 2002. Design and planning of Phase II of the streetscape improvements for the area between 5<sup>th</sup> Street and 2<sup>nd</sup> Street, and between Washington Ave. and Alton Road, is approximately 50% complete. On September 25, 2002, the Commission approved an A/E services contract. A second Community Design Workshop took place on May 1, 2003. The Basis of Design Report prepared by the consultant/design team is expected to be presented to the City Commission by September, 2003. Construction is scheduled to commence in the summer of 2004 and is projected to take 16 months to complete.

### **Relocation of 72" Drain Pipe**

The relocation of a 72" drainage pipe and corresponding outfall, along the south side of the MacArthur Causeway, from Alton Rd. to the water commenced in May 2003, and was completed in July, 2003.

**Total Project Cost:** Est. \$30 Million

**Total CRA participation:** \$30 Million

### **South Pointe Park**

Preparation and implementation of Master Plan for South Pointe Park, funded by a combination of tax increment and GO Bond funds. The project will include landscaping, lighting, pedestrian paths, parking and maintenance facilities.

**Total Project Cost:** \$5.2 Million

**Total CRA participation:** \$3.2 Million

### **Waste Water Master Booster Pump Station**

In order to address the City's need for a waste water master booster pump station, a design consultant is in the process of designing the facility on the city-owned triangular property which fronts Alton Road, between First Street and Commerce Street. Construction documents are approximately 30% complete. This project will partially be funded through Water and Sewer Bond funds and, due to site restrictions and resident/design considerations may require additional funds from the RDA.

**Total Project Cost:** TBD

**Total CRA participation:** TBD



**Project****Status - as of 08/31/03****Art in Public Places**

The required Art in Public Places component of the Public Plaza on Washington Avenue and Third Street, has been designed and is being constructed.

**Total Project Cost:** \$100,000

**Total CRA participation:** \$100,000

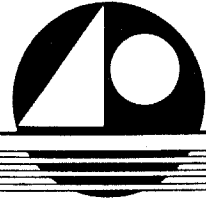
**CITY CENTER**

**REDEVELOPMENT DISTRICT**

**FINANCIAL INFORMATION**

**FOR THE MONTH ENDED**

**AUGUST 31, 2003**



**October 15, 2003**

**TO: Jorge M. Gonzalez, Executive Director**

**FROM: Patricia D. Walker, Chief Financial Officer**  
**City of Miami Beach**

**SUBJECT: City Center Redevelopment District Financial Information**  
**For the Eleven Months Ended August 31, 2003**

At the July 15, 1998 Commission/Redevelopment Agency meeting a request was made for monthly financial information for the City Center Redevelopment District. The information has been compiled and is attached.

**Historical Cash Basis Financial Information**

The summary report included in the attached material, reflects that during the period from October 1, 1993 through August 31, 2003 approximately \$232,065,000 of revenues were received in the City Center District of the Redevelopment Agency ("RDA").

The primary sources of these revenues included approximately:

- \$ 108,779,000 - Bond proceeds;
- \$ 56,757,000 - Incremental Ad Valorem tax;
- \$ 19,190,000 - Draws from the line of credit from the City of Miami Beach;
- \$ 13,600,000 - Resort tax contributions;
- \$ 7,308,000 - Interest income;
- \$ 8,117,000 - Anchor Garage receipts;
- \$ 5,297,000 - Loews Ground Lease receipts;
- \$ 3,000,000 - Loan from the City of Miami Beach;
- \$ 2,700,000 - Contributions from GMCVB toward debt service payments;
- \$ 1,976,000 - Reimbursements from other state and local agencies;
- \$ 1,750,000 - Anchor Shops receipts;
- \$ 700,000 - Contribution from CMB Parking Department;
- \$ 252,000 - RDP Royal Palm Ground Lease receipts; and
- \$ 2,639,000 - From various sources

On the expenditure side, approximately \$203,833,000 has been expended from

**SOUTH POINTE**  
**Redevelopment District**

**CITY CENTER**  
**Redevelopment District**

October 1, 1993 through August 31, 2003. These approximate expenditures were primarily made in the following areas:

- \$ 81,592,000 - Debt Service Payments;
- \$ 61,516,000 - Convention Center Hotel Project (Loews Hotel)
- \$ 18,248,000 - Hotel Garage Project;
- \$ 12,850,000 - African-American Hotel Project;
- \$ 8,457,000 - Collins Park Cultural Center;
- \$ 5,662,000 - Administrative Costs;
- \$ 4,783,000 - Anchor Garage Operations
- \$ 3,478,000 - Lincoln Road/Bass Museum Loan Repayment to CMB
- \$ 2,385,000 - Secondary Pledge Repayments (Resort Tax)
- \$ 1,759,000 - Colony Theater
- \$ 826,000 - Lincoln Road Project;
- \$ 789,000 - Beachwalk Project;
- \$ 182,000 - Movie Theater Project;
- \$ 422,000 - Anchor Shops Operations: and
- \$ 884,000 - Other Project Costs;

The cash balance as of August 31, 2003 is approximately \$28,232,000. This balance consisted of the following amounts:

- \$ 12,388,000 - Cash and Investments Balance
- \$ 8,281,000 - Construction Accounts
- \$ 5,771,000 - Fully Funded Debt Service Reserve Accounts
- \$ 1,792,000 - Portion of Debt Service Payments, Held in Trust.

JMG:PDW:MM



**SUMMARY OF**  
**CASH BASIS TRANSACTIONS**  
**FOR THE MONTH ENDED**  
**AUGUST 31, 2003**

**Redevelopment Agency - City Center/Historic Convention Village**  
**Summary of Cash Basis Transactions by Project**  
**Fiscal Years 1994 - 2003 (through August 31, 2003)**

	Prior Years	FY 2003	Total Rev./Expend.
<b>OPENING CASH/INVESTMENT BALANCE</b>	\$	\$ 22,713,250	
<b>REVENUE</b>			
- Tax increment - County	20,186,716	5,881,696	\$ 26,068,412
- Tax increment - City	23,808,529	6,860,555	30,669,084
- Tax increment (Interest) - County	19,057	-	19,057
- Bond proceeds	108,779,453	-	108,779,453
- Rental income	9,300	-	9,300
- Anchor Garage receipts	6,484,789	1,489,957	7,974,746
- Anchor Garage deposit card receipts	14,306	1,970	16,276
- Anchor Shops rental income	1,108,786	588,669	1,697,455
- Anchor Shops rental deposits	52,230	-	52,230
- Loews Facility Use/Usage Fee	116,143	10,361	126,504
- Loews Ground Lease Receipts	4,232,820	1,063,711	5,296,531
- RDP Royal Palm Ground Lease Receipts	128,335	123,875	252,210
- Interest income	7,149,466	158,902	7,308,368
- Resort tax contributions	11,763,139	1,836,450	13,599,589
- Bid deposits - hotels	375,000	-	375,000
- Bid deposits - cinema	100,000	-	100,000
- Loan from City	3,000,000	-	3,000,000
- Line of credit from City	19,190,000	-	19,190,000
- Cultural Campus	1,975,762	-	1,975,762
- St. Moritz Hotel - refund/reimbursement	925,450	-	925,450
- Reimbursements (GMCVB/RE taxes/Grants)	3,864,530	-	3,864,530
- St. sales tax (receipt - income for pmt. to St)	480,275	142,924	623,199
- Miami City Ballet environmental clean-up	31,698	-	31,698
- Anchor Garage insurance reimbursement	26,170	-	26,170
- Miscellaneous	63,063	21,131	84,194
<b>TOTAL REVENUE</b>	<u>213,885,017</u>	<u>18,180,201</u>	<u>\$ 232,065,218</u>

**EXPENDITURES**

**PROJECTS**

African-American Hotel	(12,761,772)	(88,692)	(12,850,464)
Convention Hotel	(61,516,007)	-	(61,516,007)
Hotel Garage - Construction	(18,247,976)	-	(18,247,976)
Movie Theater Project	(182,200)	-	(182,200)
Lincoln Road	(691,049)	(134,681)	(825,730)
Beachwalk	(510,715)	(278,329)	(789,044)
Collins Park Cultural Center	(8,071,812)	(385,374)	(8,457,186)
Bus Prop. Ctr.	(159)	-	(159)
Chamber of Commerce Relocation Study	(2,000)	-	(2,000)
Colony Theater	(551,235)	(1,207,950)	(1,759,185)

**Redevelopment Agency - City Center/Historic Convention Village**  
**Summary of Cash Basis Transactions by Project**  
**Fiscal Years 1994 - 2003 (through August 31, 2003)**

	Prior Years	FY 2003	Total Rev./Expend.
Cultural Campus	(36)	-	(36)
East/West Corridor	(88)	-	(88)
Electrowave	(3,161)	-	(3,161)
Garden Center	(93)	-	(93)
Guidelines	(12,450)	-	(12,450)
Old City Hall	(499)	-	(499)
17th Street Surface Lot	(155,312)	(28,789)	(184,101)
Streetscapes	(324,849)	-	(324,849)
6th Street Streetscape	(577)	-	(577)
Botanical Gardens	(30,302)	-	(30,302)
Transportation Mobility Study	(32,225)	-	(32,225)
Convention Center Storm Water Improve.	-	(16,595)	(16,595)
New World Symphony	-	(8,156)	(8,156)
Washington Avenue Streetscape	-	(7,251)	(7,251)
Rotunda	-	(15,000)	(15,000)
Bass Museum	(69,250)	(177,372)	(246,622)
<b>Total Projects</b>	<b>(103,163,767)</b>	<b>(2,348,189)</b>	<b>(105,511,956)</b>
<b><u>ADMINISTRATION</u></b>	<b>(5,633,462)</b>	<b>(28,053)</b>	<b>(5,661,515)</b>
<b><u>DEBT SERVICE/LOAN REPAYMENT</u></b>	<b>(74,899,554)</b>	<b>(9,077,689)</b>	<b>(83,977,243)</b>
<b><u>CITY OF MIAMI BEACH/LOAN REPAYMENT</u></b>	<b>(3,477,882)</b>	<b>-</b>	<b>(3,477,882)</b>
<b><u>ANCHOR GARAGE OPERATIONS</u></b>	<b>(3,713,601)</b>	<b>(1,069,024)</b>	<b>(4,782,625)</b>
<b><u>ANCHOR SHOPS OPERATIONS</u></b>	<b>(283,500)</b>	<b>(138,437)</b>	<b>(421,937)</b>
<b>TOTAL EXPENDITURES</b>	<b>(191,171,766)</b>	<b>(12,661,392)</b>	<b>\$ (203,833,158)</b>
<b>ENDING CASH/INVSTMT. BALANCE</b>	<b>\$ 22,713,250</b>	<b>\$ 28,232,059</b>	

**Redevelopment Agency - City Center/Historic Convention Village**  
**Summary of Cash Basis Transactions by Expenditure Type**  
**Fiscal Years 1994 - 2003 (through August 31, 2003)**

	Prior Years	FY 2003	Total Rev./Expend.
<b>OPENING CASH/INVESTMENT BALANCE</b>	\$	\$ 22,713,250	
<b>REVENUE</b>			
- Tax increment - County	20,186,716	5,881,696	\$ 26,068,412
- Tax increment - City	23,808,529	6,860,555	30,669,084
- Tax increment (Interest) - County	19,057	-	19,057
- Bond proceeds	108,779,453	-	108,779,453
- Rental income	9,300	-	9,300
- Anchor Garage receipts	6,484,789	1,489,957	7,974,746
- Anchor Garage deposit card receipts	14,306	1,970	16,276
- Anchor Shops rental income	1,108,786	588,669	1,697,455
- Anchor Shops rental deposits	52,230	-	52,230
- Loews Facility Use/Usage Fee	116,143	10,361	126,504
- Loews Ground Lease Receipts	4,232,820	1,063,711	5,296,531
- RDP Royal Palm Ground Lease Receipts	128,335	123,875	252,210
- Interest income	7,149,466	158,902	7,308,368
- Resort tax contributions	11,763,139	1,836,450	13,599,589
- Bid deposits - hotels	375,000	-	375,000
- Bid deposits - cinema	100,000	-	100,000
- Loan from City	3,000,000	-	3,000,000
- Line of credit from City	19,190,000	-	19,190,000
- Cultural Campus	1,975,762	-	1,975,762
- St. Moritz Hotel - refund/reimbursement	925,450	-	925,450
- Reimbursements (GMCVB/RE taxes/Grants)	3,864,530	-	3,864,530
- St. sales tax (receipt - income for pmt. to St)	480,275	142,924	623,199
- Miami City Ballet environmental clean-up	31,698	-	31,698
- Anchor Garage insurance reimbursement	26,170	-	26,170
- Miscellaneous	63,063	21,131	84,194
<b>TOTAL REVENUE</b>	<b>213,885,017</b>	<b>18,180,201</b>	<b>\$ 232,065,218</b>
<b>EXPENDITURES</b>			
Administrative fees	(31,684)	-	(31,684)
Appraisal fees	(125,368)	-	(125,368)
Bid refund	(230,000)	-	(230,000)
Board up	(60,758)	-	(60,758)
Bond costs	(211,440)	-	(211,440)
Building permit fees	(173,269)	-	(173,269)
Construction	(47,139,485)	(377,922)	(47,517,407)
Delivery	(2,995)	-	(2,995)
Demolition	(203,195)	-	(203,195)
Electric service	(1,976)	-	(1,976)
Environmental	(354,908)	-	(354,908)
Equipment rental	(50,796)	-	(50,796)
Hotel negotiation consultant	(849,243)	-	(849,243)
Hotel selection/study	(263,357)	-	(263,357)
Land acquisition	(41,240,564)	-	(41,240,564)



**Redevelopment Agency - City Center/Historic Convention Village**  
**Summary of Cash Basis Transactions by Expenditure Type**  
**Fiscal Years 1994 - 2003 (through August 31, 2003)**

	Prior Years	FY 2003	Total Rev./Expend.
Legal fees/costs	(2,584,308)	(73,034)	(2,657,342)
Lot clearing	(34,771)	-	(34,771)
Maintenance	(49,700)	(134,118)	(183,818)
Miscellaneous	(388,820)	(24,473)	(413,293)
Owner's representative fee & expenses	(1,823,466)	-	(1,823,466)
Postage, printing & mailing	(27,855)	-	(27,855)
Professional services	(1,125,489)	(277,529)	(1,403,018)
Public notice/advertisement	(26,472)	-	(26,472)
Refund of deposits	(185,000)	-	(185,000)
Reimburse closing costs to C.M.B.	(3,000,000)	-	(3,000,000)
Reimbursements	(78,041)	-	(78,041)
Relocation	(131,784)	-	(131,784)
Revitalization	(534,793)	-	(534,793)
Security guard service	(277,825)	-	(277,825)
Streetscape	(401,312)	-	(401,312)
Temporary staffing	(4,548)	-	(4,548)
Title insurance	(25,271)	-	(25,271)
Traffic parking study	(8,600)	-	(8,600)
Training, conferences & meetings	(3,268)	-	(3,268)
Travel & related expenses	(28,730)	-	(28,730)
Utilities	(323,116)	-	(323,116)
Water/Sewer (impact fees)	(25,240)	-	(25,240)
<b>Total</b>	<b>(102,027,447)</b>	<b>(887,076)</b>	<b>(102,914,523)</b>
<b>- Miscellaneous Projects</b>	<b>(1,136,320)</b>	<b>(1,461,113)</b>	<b>(2,597,433)</b>
<b>Total Projects</b>	<b>(103,163,767)</b>	<b>(2,348,189)</b>	<b>(105,511,956)</b>
 <b><u>ADMINISTRATION</u></b>	 <b>(5,633,462)</b>	 <b>(28,053)</b>	 <b>(5,661,515)</b>
<b><u>DEBT SERVICE/LOAN REPAYMENT</u></b>	<b>(74,899,554)</b>	<b>(9,077,689)</b>	<b>(83,977,243)</b>
<b><u>CITY OF MIAMI BEACH/LOAN REPAYMENT</u></b>	<b>(3,477,882)</b>	<b>-</b>	<b>(3,477,882)</b>
<b><u>ANCHOR GARAGE OPERATIONS</u></b>	<b>(3,713,601)</b>	<b>(1,069,024)</b>	<b>(4,782,625)</b>
<b><u>ANCHOR SHOPS OPERATIONS</u></b>	<b>(283,500)</b>	<b>(138,437)</b>	<b>(421,937)</b>
 <b>TOTAL EXPENDITURES</b>	 <b>(191,171,767)</b>	 <b>(12,661,392)</b>	 <b>\$ (203,833,158)</b>
 <b>ENDING CASH/INVSTMT. BALANCE</b>	 <b>\$ 22,713,250</b>	 <b>\$ 28,232,059</b>	

**CHECK & WIRE TRANSFER  
REGISTER**

**SORTED BY**

**PROJECT & TYPE OF  
EXPENDITURE**

**FOR THE MONTH ENDED  
AUGUST 31, 2003**

**Redevelopment Agency - City Center District**  
**Check & Wire Transfer Register by Project & Type of Expense**  
**Fiscal Year 2003 (through August 31, 2003)**

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
3425	10/14/02	***Void***	0.00		Administration
3443	11/20/02	***Void***	0.00		Administration
3561	04/28/03	***Void***	0.00		Administration
			<u>0.00</u>		
3611	07/08/03	Wachovia Bank	5,660.97	Annual Admin. Fees for Bond Series	Administration
			<u>5,660.97</u>		
3426	10/14/02	Comet Courier Corp.	27.40	Mailing	Administration
3428	10/14/02	City of Miami Beach	2,019.24	Mailing & Printing	Administration
3429	10/14/02	City of Miami Beach	690.69	Mailing & Printing	Administration
3440	11/18/02	Comet Courier Corp.	13.70	Mailing	Administration
3462	12/23/02	City of Miami Beach	92.33	Mailing & Printing	Administration
3466	12/23/02	City of Miami Beach	38.92	Mailing & Printing	Administration
3475	01/06/03	City of Miami Beach	112.70	Mailing & Printing	Administration
3504	02/11/03	City of Miami Beach	118.69	Mailing & Printing	Administration
3526	03/13/03	City of Miami Beach	11.18	Mailing	Administration
3547	04/07/03	City of Miami Beach	88.19	Mailing	Administration
3570	05/12/03	City of Miami Beach	98.04	Mailing	Administration
3600	06/11/03	City of Miami Beach	15.03	Mailing	Administration
3620	07/10/03	City of Miami Beach	91.93	Mailing	Administration
3646	08/07/03	City of Miami Beach	13.11	Mailing	Administration
			<u>3,431.15</u>		
3424	10/14/02	Department of Community Affairs	87.50	Miscellaneous (fee)	Administration
3441	11/18/02	Eric Fliss	429.68	Miscellaneous-Conference/seminar	Administration
3446	11/22/02	Kent Bonde	13.28	Miscellaneous-Travel	Administration
3448	11/22/02	Anna Parekh	29.60	Miscellaneous-Travel	Administration
3470	01/06/03	Software House International	184.00	Miscellaneous	Administration
3473	01/06/03	Iron Mountain	36.66	Miscellaneous-Storage	Administration
3490	01/30/03	Iron Mountain	37.12	Miscellaneous-Storage	Administration
3493	01/30/03	Florida Redevelopment Association	23.00	Miscellaneous	Administration
3494	01/30/03	Kent Bonde	23.66	Miscellaneous-Mileage	Administration
3546	04/07/03	Iron Mountain	158.60	Miscellaneous-Storage	Administration
3560	04/24/03	Costar Realty Information	3,747.48	Miscellaneous	Administration
3574	05/15/03	Comet Courier Corp.	16.43	Miscellaneous	Administration
3581	05/23/03	Iron Mountain	36.66	Miscellaneous	Administration
3598	06/11/03	Comet Courier Corp.	21.43	Miscellaneous	Administration
3609	06/24/03	First America Real Estate Solutions	119.01	Miscellaneous-Data Service	Administration
3612	07/08/03	International Council of Shopping Centers	50.00	Miscellaneous	Administration
3630	07/21/03	First America Real Estate Solutions	119.01	Miscellaneous-Data Service	Administration
3633	07/21/03	Iron Mountain	42.11	Miscellaneous-Storage	Administration
			<u>5,175.23</u>		
3432	10/23/02	Corporate Express	94.87	Office Supplies	Administration
3483	01/30/03	Corporate Express	204.21	Office Supplies	Administration
3484	01/30/03	Corporate Express	163.65	Office Supplies	Administration
3485	01/30/03	Corporate Express	77.33	Office Supplies	Administration
3537	03/25/03	Corporate Express	194.35	Office Supplies	Administration
3538	03/25/03	Corporate Express	364.28	Office Supplies	Administration
3569	05/12/03	Corporate Express	424.49	Office Supplies	Administration
3599	06/11/03	Corporate Express	56.71	Office Supplies	Administration
3661	08/18/03	Corporate Express	198.85	Office Supplies	Administration
			<u>1,778.74</u>		
3435	11/07/02	Reprographic Services, Inc.	5,338.29	Printing	Administration
3482	01/30/03	Reprographic Services, Inc.	1,160.00	Printing	Administration
3526	03/13/03	City of Miami Beach	7.46	Printing	Administration
3600	06/11/03	City of Miami Beach	10.00	Printing	Administration
3620	07/10/03	City of Miami Beach	10.00	Printing	Administration
			<u>6,525.75</u>		
3506	02/11/03	KPMG, LLP	3,000.00	Professional Services/Audit	Administration
3567	05/01/03	David Wood Temporaries	447.30	Prof. Services/Temp. Staff	Administration
3577	05/19/03	David Wood Temporaries	122.48	Prof. Services/Temp. Staff	Administration
3585	06/03/03	David Wood Temporaries	159.75	Prof. Services/Temp. Staff	Administration
3596	06/11/03	David Wood Temporaries	156.56	Prof. Services/Temp. Staff	Administration
3597	06/11/03	David Wood Temporaries	121.41	Prof. Services/Temp. Staff	Administration
3610	07/02/03	David Wood Temporaries	103.84	Prof. Services/Temp. Staff	Administration
3615	07/08/03	David Wood Temporaries	247.61	Prof. Services/Temp. Staff	Administration

**Redevelopment Agency - City Center District**  
**Check & Wire Transfer Register by Project & Type of Expense**  
**Fiscal Year 2003 (through August 31, 2003)**

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
3641	07/31/03	David Wood Temporaries	175.19	Prof. Services/Temp. Staff	Administration
3645	08/07/03	David Wood Temporaries	127.80	Prof. Services/Temp. Staff	Administration
3653	08/14/03	David Wood Temporaries	356.25	Prof. Services/Temp. Staff	Administration
3657	08/14/03	David Wood Temporaries	122.48	Prof. Services/Temp. Staff	Administration
3662	08/20/03	David Wood Temporaries	142.00	Prof. Services/Temp. Staff	Administration
3663	08/27/03	David Wood Temporaries	198.80	Prof. Services/Temp. Staff	Administration
			<u>5,481.47</u>		
<b>TOTAL ADMINISTRATION</b>			<b>28,053.31</b>		
Wire	02/05/03	Miami Beach Redevelopment Agency	9,054,926.42	Transfer for 6/03 & 12/03 D.S. (from GF)	Debt Service Funding
			<u>9,054,926.42</u>		
Wire	12/02/02	Wachovia Bank	555,000.00	Debt Service Payment-Principal	Debt Service Payment
Wire	12/02/02	Wachovia Bank	615,000.00	Debt Service Payment-Principal	Debt Service Payment
Wire	12/02/02	Wachovia Bank	170,000.00	Debt Service Payment-Principal	Debt Service Payment
Wire	12/02/02	Wachovia Bank	245,000.00	Debt Service Payment-Principal	Debt Service Payment
Wire	12/02/02	Wachovia Bank	610,000.00	Debt Service Payment-Principal	Debt Service Payment
Wire	12/02/02	Wachovia Bank	609,749.38	Debt Service Payment-Interest	Debt Service Payment
Wire	12/02/02	Wachovia Bank	1,521,265.50	Debt Service Payment-Interest	Debt Service Payment
Wire	12/02/02	Wachovia Bank	208,962.50	Debt Service Payment-Interest	Debt Service Payment
Wire	12/02/02	Wachovia Bank	928,582.50	Debt Service Payment-Interest	Debt Service Payment
Wire	12/02/02	Wachovia Bank	206,896.25	Debt Service Payment-Interest	Debt Service Payment
Wire	06/02/03	Wachovia Bank	595,596.88	Debt Service Payment-Interest	Debt Service Payment
Wire	06/02/03	Wachovia Bank	1,497,096.00	Debt Service Payment-Interest	Debt Service Payment
Wire	06/02/03	Wachovia Bank	204,457.50	Debt Service Payment-Interest	Debt Service Payment
Wire	06/02/03	Wachovia Bank	908,147.50	Debt Service Payment-Interest	Debt Service Payment
Wire	06/02/03	Wachovia Bank	201,935.00	Debt Service Payment-Interest	Debt Service Payment
			<u>9,077,689.01</u>		
<b>TOTAL DEBT SERVICE</b>			<b>18,132,615.43</b>		
3431	10/23/02	City of Miami Beach	3,477.00	Miscellaneous (TCO's)	African-American Hotel
3508	02/13/03	City of Miami Beach	5,227.00	Miscellaneous (TCO's)	African-American Hotel
3651	08/07/03	City of Miami Beach	6,954.00	Miscellaneous (TCO's)	African-American Hotel
			<u>15,658.00</u>		
3427	10/14/02	Bloom & Minsker	1,330.00	Professional fees/legal	African-American Hotel
3459	12/23/02	Bloom & Minsker	9,747.25	Professional fees/legal	African-American Hotel
3463	12/23/02	Bloom & Minsker	14,382.25	Professional fees/legal	African-American Hotel
3502	02/11/03	Bloom & Minsker	5,641.75	Professional fees/legal	African-American Hotel
3517	03/06/03	Bloom & Minsker	5,394.45	Professional fees/legal	African-American Hotel
3522	03/06/03	Esquire Deposition Services	799.10	Professional fees/legal	African-American Hotel
3576	05/19/03	Bloom & Minsker	4,930.65	Professional fees/legal	African-American Hotel
3580	05/23/03	Bloom & Minsker	24,262.25	Professional fees/legal	African-American Hotel
3602	06/17/03	Bloom & Minsker	1,554.80	Professional fees/legal	African-American Hotel
3644	08/07/03	Bloom & Minsker	4,991.31	Professional fees/legal	African-American Hotel
			<u>73,033.81</u>		
<b>TOTAL AFRICAN-AMERICAN</b>			<b>88,691.81</b>		
3442	11/20/02	City of Miami Beach	70.98	Miscellaneous-Property Mgmt Work	Anchor Garage Operations
3445	11/20/02	Miami-Dade County Tax Collector	365,915.86	Miscellaneous-Property Taxes	Anchor Garage Operations
3464	12/23/02	City of Miami Beach	1,196.26	Miscellaneous-Property Mgmt Work	Anchor Garage Operations
3495	01/30/03	Kent Bonde	142.60	Miscellaneous-cost reimb.	Anchor Garage Operations
3499	02/10/03	The Intelligence Group	2,500.00	Miscellaneous-background investigation	Anchor Garage Operations
3501	02/11/03	City of Miami Beach	1,900.00	Miscellaneous	Anchor Garage Operations
3505	02/11/03	City of Miami Beach	2,287.21	Miscellaneous-Property Mgmt Work	Anchor Garage Operations
3523	03/06/03	City of Miami Beach	3,727.89	Miscellaneous-Property Mgmt Work	Anchor Garage Operations
3524	03/06/03	Federal Express	72.79	Miscellaneous	Anchor Garage Operations
3532	03/20/03	The Intelligence Group	2,500.00	Miscellaneous-background investigation	Anchor Garage Operations
3545	04/07/03	City of Miami Beach	887.37	Miscellaneous-Property Mgmt Work	Anchor Garage Operations
3555	04/16/03	City of Miami Beach	1,428.47	Miscellaneous-Property Mgmt Work	Anchor Garage Operations
3559	04/24/03	Integra Business Forms & Systems, Inc.	501.69	Miscellaneous-Deposit slips	Anchor Garage Operations
3572	05/15/03	City of Miami Beach	1,122.24	Miscellaneous-Property Mgmt Work	Anchor Garage Operations
3590	06/11/03	City of Miami Beach	20,598.59	Miscellaneous-Revenue Control System	Anchor Garage Operations

**Redevelopment Agency - City Center District**  
**Check & Wire Transfer Register by Project & Type of Expense**  
**Fiscal Year 2003 (through August 31, 2003)**

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
3593	06/11/03	City of Miami Beach	8,074.41	Miscellaneous-Upgrade software	Anchor Garage Operations
3601	06/17/03	City of Miami Beach	1,015.93	Miscellaneous-Property Mgmt Work	Anchor Garage Operations
3613	07/08/03	Miami Fire Equipment	602.00	Miscellaneous-Fire inspections, etc.	Anchor Garage Operations
3618	07/10/03	Waste Management of Dade County	291.02	Miscellaneous-Waste removal	Anchor Garage Operations
3619	07/10/03	Country Bills Lawn Maintenance	450.00	Miscellaneous-Lawn maint.	Anchor Garage Operations
3622	07/10/03	Thyssen Krupp Elevator	5,140.77	Miscellaneous-Elevator maint.	Anchor Garage Operations
3627	07/15/03	City of Miami Beach	2,552.45	Miscellaneous-Property Mgmt Work	Anchor Garage Operations
3631	07/21/03	Royce Parking Control System, Inc.	775.00	Miscellaneous-Service contract	Anchor Garage Operations
3632	07/21/03	Royce Parking Control System, Inc.	775.00	Miscellaneous-Service contract	Anchor Garage Operations
3635	07/21/03	City of Miami Beach	1,026.60	Miscellaneous-Utilities	Anchor Garage Operations
3636	07/25/03	Country Bills Lawn Maintenance	76.00	Miscellaneous-Lawn maint.	Anchor Garage Operations
3643	08/04/03	City of Miami Beach	7,781.32	Utilities	Anchor Garage Operations
3649	08/07/03	City of Miami Beach	3,797.12	Property Management work	Anchor Garage Operations
3654	08/14/03	Country Bills Lawn Maintenance	76.00	Lawn maint.	Anchor Garage Operations
3655	08/14/03	Waste Management of Dade County	168.27	Waste removal	Anchor Garage Operations
3656	08/14/03	City of Miami Beach	4,489.93	Maint. & Janitorial Services	Anchor Garage Operations
3658	08/14/03	City of Miami Beach	76.00	Lawn maint.	Anchor Garage Operations
3664	08/27/03	City of Miami Beach	1,055.13	Utilities	Anchor Garage Operations
			<u>443,074.90</u>		
3520	03/06/03	Miami Beach Redevelopment, Inc.	10,470.33	Facility Use / Usage Fee	Anchor Garage Operations
3607	06/20/03	Miami Beach Redevelopment, Inc.	61,063.74	Facility Use / Usage Fee	Anchor Garage Operations
			<u>71,534.07</u>		
3437	11/07/02	Quik Park of Florida d/b/a Gulfstream Mgmt	28,196.18	Reimb. - operating exp.	Anchor Garage Operations
3469	12/27/02	Quik Park of Florida d/b/a Gulfstream Mgmt	41,394.83	Reimb. - operating exp.	Anchor Garage Operations
3480	01/06/03	Quik Park of Florida d/b/a Gulfstream Mgmt	24,949.24	Reimb. - operating exp.	Anchor Garage Operations
3496	01/30/03	Quik Park of Florida d/b/a Gulfstream Mgmt	22,765.85	Reimb. - operating exp.	Anchor Garage Operations
3521	03/06/03	Quik Park of Florida d/b/a Gulfstream Mgmt	26,382.43	Reimb. - operating exp.	Anchor Garage Operations
3536	03/25/03	Quik Park of Florida d/b/a Gulfstream Mgmt	19,710.66	Reimb. - operating exp.	Anchor Garage Operations
3565	04/28/03	Quik Park of Florida d/b/a Gulfstream Mgmt	20,886.65	Reimb. - operating exp.	Anchor Garage Operations
3586	06/02/03	Quik Park of Florida d/b/a Gulfstream Mgmt	25,376.01	Reimb. - operating exp.	Anchor Garage Operations
3624	07/14/03	Quik Park of Florida d/b/a Gulfstream Mgmt	29,381.46	Reimb. - operating exp.	Anchor Garage Operations
3642	07/31/03	Quik Park of Florida d/b/a Gulfstream Mgmt	44,391.59	Reimb. - operating exp.	Anchor Garage Operations
			<u>283,434.90</u>		
Wire	10/09/02	Quik Park d/b/a Gulfstream Management, LLC	8,596.10	Salary Reimbursements	Anchor Garage Operations
Wire	10/23/02	Quik Park d/b/a Gulfstream Management, LLC	8,832.32	Salary Reimbursements	Anchor Garage Operations
Wire	11/05/02	Quik Park d/b/a Gulfstream Management, LLC	8,778.88	Salary Reimbursements	Anchor Garage Operations
Wire	11/20/02	Quik Park d/b/a Gulfstream Management, LLC	8,879.72	Salary Reimbursements	Anchor Garage Operations
Wire	12/04/02	Quik Park d/b/a Gulfstream Management, LLC	9,532.26	Salary Reimbursements	Anchor Garage Operations
Wire	12/18/02	Quik Park d/b/a Gulfstream Management, LLC	8,715.07	Salary Reimbursements	Anchor Garage Operations
Wire	01/02/03	Quik Park d/b/a Gulfstream Management, LLC	9,751.76	Salary Reimbursements	Anchor Garage Operations
Wire	01/15/03	Quik Park d/b/a Gulfstream Management, LLC	9,648.95	Salary Reimbursements	Anchor Garage Operations
Wire	01/28/03	Quik Park d/b/a Gulfstream Management, LLC	8,868.35	Salary Reimbursements	Anchor Garage Operations
Wire	02/13/03	Quik Park d/b/a Gulfstream Management, LLC	9,223.33	Salary Reimbursements	Anchor Garage Operations
3513	02/27/03	Quik Park d/b/a Gulfstream Management, LLC	10,414.26	Salary Reimbursements	Anchor Garage Operations
3531	03/13/03	Quik Park d/b/a Gulfstream Management, LLC	8,717.39	Salary Reimbursements	Anchor Garage Operations
3542	03/27/03	Quik Park d/b/a Gulfstream Management, LLC	9,018.38	Salary Reimbursements	Anchor Garage Operations
3551	04/10/03	Quik Park d/b/a Gulfstream Management, LLC	9,082.18	Salary Reimbursements	Anchor Garage Operations
3557	04/24/03	Quik Park d/b/a Gulfstream Management, LLC	8,951.28	Salary Reimbursements	Anchor Garage Operations
3568	05/09/03	Quik Park d/b/a Gulfstream Management, LLC	9,339.22	Salary Reimbursements	Anchor Garage Operations
3579	05/23/03	Quik Park d/b/a Gulfstream Management, LLC	9,197.05	Salary Reimbursements	Anchor Garage Operations
3589	06/05/03	Quik Park d/b/a Gulfstream Management, LLC	9,790.03	Salary Reimbursements	Anchor Garage Operations
3606	06/20/03	Quik Park d/b/a Gulfstream Management, LLC	4,592.31	Salary Reimbursements	Anchor Garage Operations
			<u>169,928.84</u>		
Wire	10/12/02	Florida Department of Revenue	7,980.14	Sales Tax Payment	Anchor Garage Operations
Wire	11/09/02	Florida Department of Revenue	7,696.38	Sales Tax Payment	Anchor Garage Operations
Wire	12/18/02	Florida Department of Revenue	8,650.95	Sales Tax Payment	Anchor Garage Operations
Wire	01/11/03	Florida Department of Revenue	7,640.89	Sales Tax Payment	Anchor Garage Operations
Wire	02/14/03	Florida Department of Revenue	7,483.65	Sales Tax Payment	Anchor Garage Operations
Wire	03/13/03	Florida Department of Revenue	11,100.73	Sales Tax Payment	Anchor Garage Operations
Wire	04/15/03	Florida Department of Revenue	14,153.46	Sales Tax Payment	Anchor Garage Operations
Wire	05/16/03	Florida Department of Revenue	8,706.16	Sales Tax Payment	Anchor Garage Operations
Wire	06/13/03	Florida Department of Revenue	10,370.92	Sales Tax Payment	Anchor Garage Operations
Wire	07/15/03	Florida Department of Revenue	8,765.50	Sales Tax Payment	Anchor Garage Operations
Wire	08/19/03	Florida Department of Revenue	8,502.41	Sales Tax Payment	Anchor Garage Operations
			<u>101,051.19</u>		

**Redevelopment Agency - City Center District**  
**Check & Wire Transfer Register by Project & Type of Expense**  
**Fiscal Year 2003 (through August 31, 2003)**

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
<b>TOTAL ANCHOR GARAGE OPER.</b>			<b>1,069,023.90</b>		
3439	11/07/02	Gables Professional Realty, Inc.	23,361.27	Miscellaneous-Brokerage Comm.	Anchor Shops Oper.
3445	11/20/02	Miami-Dade County Tax Collector	11,316.99	Miscellaneous-Property Taxes	Anchor Shops Oper.
3450	11/26/02	35 Media Publications, LLC	3,400.00	Miscellaneous-Anchor Shops Advert.	Anchor Shops Oper.
3514	03/06/03	Lincoln Road Magazine	1,500.00	Miscellaneous-Anchor Shops Advert.	Anchor Shops Oper.
3515	03/06/03	Comet Courier Corp	9.68	Miscellaneous-Delivery	Anchor Shops Oper.
3548	04/08/03	Lincoln Road Magazine	1,500.00	Miscellaneous-Anchor Shops Advert.	Anchor Shops Oper.
			<u>41,087.94</u>		
3455	12/03/02	Miami Beach Community Development Corp	6,823.97	Reimb. - operating exp.	Anchor Shops Oper.
3461	12/23/02	Miami Beach Community Development Corp	3,341.10	Reimb. - operating exp.	Anchor Shops Oper.
3477	01/06/03	Miami Beach Community Development Corp	850.00	Reimb. - operating exp.	Anchor Shops Oper.
3492	01/30/03	Miami Beach Community Development Corp	5,550.21	Reimb. - operating exp.	Anchor Shops Oper.
3509	02/13/03	Miami Beach Community Development Corp	4,336.00	Reimb. - operating exp.	Anchor Shops Oper.
3512	02/24/03	Miami Beach Community Development Corp	7,196.32	Reimb. - operating exp.	Anchor Shops Oper.
3535	03/20/03	Miami Beach Community Development Corp	12,176.25	Reimb. - operating exp.	Anchor Shops Oper.
3553	04/16/03	Miami Beach Community Development Corp	4,311.00	Reimb. - operating exp.	Anchor Shops Oper.
3575	05/19/03	Miami Beach Community Development Corp	4,550.24	Reimb. - operating exp.	Anchor Shops Oper.
3605	06/17/03	Miami Beach Community Development Corp	4,086.82	Reimb. - operating exp.	Anchor Shops Oper.
3637	07/28/03	Miami Beach Community Development Corp	2,969.82	Reimb. - operating exp.	Anchor Shops Oper.
			<u>56,191.73</u>		
Wire	10/12/02	Florida Department of Revenue	3,754.26	Sales Tax	Anchor Shops Oper.
Wire	11/09/02	Florida Department of Revenue	3,119.38	Sales Tax	Anchor Shops Oper.
Wire	12/18/02	Florida Department of Revenue	2,581.82	Sales Tax	Anchor Shops Oper.
Wire	01/11/03	Florida Department of Revenue	2,847.13	Sales Tax	Anchor Shops Oper.
Wire	02/14/03	Florida Department of Revenue	3,547.70	Sales Tax	Anchor Shops Oper.
Wire	03/13/03	Florida Department of Revenue	3,877.41	Sales Tax	Anchor Shops Oper.
Wire	04/15/03	Florida Department of Revenue	4,743.12	Sales Tax	Anchor Shops Oper.
Wire	05/16/03	Florida Department of Revenue	3,422.87	Sales Tax	Anchor Shops Oper.
Wire	06/13/03	Florida Department of Revenue	3,677.77	Sales Tax	Anchor Shops Oper.
Wire	07/15/03	Florida Department of Revenue	4,285.45	Sales Tax	Anchor Shops Oper.
Wire	08/19/03	Florida Department of Revenue	5,300.32	Sales Tax	Anchor Shops Oper.
			<u>41,157.23</u>		
<b>TOTAL ANCHOR SHOPS OPER.</b>			<b>138,436.90</b>		
3433	10/23/02	URS/Dames & Moore	46,518.98	Construction work-library	Collins Park Cultural Center
3449	11/26/02	City of Miami Beach	1,188.25	Miscellaneous-utilities	Collins Park Cultural Center
3457	12/17/02	City of Miami Beach	50,231.27	Construction work-library	Collins Park Cultural Center
3478	01/13/03	City of Miami Beach	1,031.20	Miscellaneous-utilities	Collins Park Cultural Center
3486	01/30/03	City of Miami Beach	2,139.19	Miscellaneous-Library paint	Collins Park Cultural Center
3491	01/30/03	City of Miami Beach	251.45	Miscellaneous-utilities	Collins Park Cultural Center
3497	02/07/03	URS/Dames & Moore	120,712.03	Construction work-library	Collins Park Cultural Center
3498	02/10/03	URS/Dames & Moore	104,136.97	Construction work-library	Collins Park Cultural Center
3518	03/06/03	City of Miami Beach	369.10	Miscellaneous-utilities	Collins Park Cultural Center
3534	03/20/03	City of Miami Beach	703.05	Miscellaneous-Paint Library	Collins Park Cultural Center
3539	03/25/03	City of Miami Beach	35.75	Miscellaneous-utilities	Collins Park Cultural Center
3540	03/25/03	City of Miami Beach	253.05	Miscellaneous-utilities	Collins Park Cultural Center
3541	03/25/03	City of Miami Beach	452.80	Miscellaneous-utilities	Collins Park Cultural Center
3562	04/28/03	City of Miami Beach	257.00	Miscellaneous-utilities	Collins Park Cultural Center
3582	06/02/03	City of Miami Beach	257.00	Miscellaneous-utilities	Collins Park Cultural Center
3594	06/11/03	City of Miami Beach	56,322.81	Construction work-library (URS Const.)	Collins Park Cultural Center
3603	06/17/03	City of Miami Beach	257.00	Miscellaneous-utilities	Collins Park Cultural Center
3634	07/21/03	City of Miami Beach	257.00	Miscellaneous-utilities	Collins Park Cultural Center
			<u>385,373.90</u>		
<b>TOTAL COLLINS PARK CULTURAL CENTER</b>			<b>385,373.90</b>		
3423	10/14/02	City of Miami Beach	3,318.59	Salary Reimbursement	Colony Theater Restoration
3430	10/23/02	City of Miami Beach	3,318.59	Salary Reimbursement	Colony Theater Restoration
3451	11/26/02	City of Miami Beach	3,318.60	Salary Reimbursement	Colony Theater Restoration
3465	12/23/02	City of Miami Beach	3,318.60	Salary Reimbursement	Colony Theater Restoration
3503	02/11/03	City of Miami Beach	4,977.89	Salary Reimbursement	Colony Theater Restoration
3507	02/11/03	City of Miami Beach	3,318.59	Salary Reimbursement	Colony Theater Restoration
3544	03/28/03	City of Miami Beach	3,318.59	Salary Reimbursement	Colony Theater Restoration

**Redevelopment Agency - City Center District**  
**Check & Wire Transfer Register by Project & Type of Expense**  
**Fiscal Year 2003 (through August 31, 2003)**

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
3558	04/24/03	City of Miami Beach	3,318.59	Salary Reimbursement	Colony Theater Restoration
3591	06/11/03	City of Miami Beach	3,318.59	Salary Reimbursement	Colony Theater Restoration
3592	06/11/03	City of Miami Beach	3,318.60	Salary Reimbursement	Colony Theater Restoration
3626	07/15/03	City of Miami Beach	3,318.59	Salary Reimbursement	Colony Theater Restoration
3650	08/07/03	City of Miami Beach	4,977.88	Salary Reimbursement	Colony Theater Restoration
			<u>43,141.70</u>		
3434	11/07/02	Naples Hilton & Towers	69.00	Miscellaneous-Seminar	Colony Theater Restoration
3438	11/07/02	Naples Hilton & Towers	69.00	Miscellaneous-Seminar	Colony Theater Restoration
3444	11/20/02	BellSouth	519.68	Miscellaneous-Telephone	Colony Theater Restoration
3446	11/22/02	Kent Bonde	117.03	Miscellaneous-Conference/seminar	Colony Theater Restoration
3447	11/22/02	AT&T	65.32	Miscellaneous-Telephone	Colony Theater Restoration
3452	11/26/02	Judy Hoanshelt	52.70	Miscellaneous-Travel	Colony Theater Restoration
3453	12/03/02	Eric Fliss	42.32	Miscellaneous-Materials	Colony Theater Restoration
3458	12/23/02	A. Drake Enterprises, Inc.	250.00	Miscellaneous	Colony Theater Restoration
3471	01/06/03	Software House International	109.00	Miscellaneous	Colony Theater Restoration
3472	01/06/03	AT&T	68.48	Miscellaneous-Telephone	Colony Theater Restoration
3474	01/06/03	Alexandra Rolandelli	37.70	Miscellaneous-Travel	Colony Theater Restoration
3481	01/15/03	Federal Express	17.43	Miscellaneous-Courier	Colony Theater Restoration
3487	01/30/03	BellSouth	406.53	Miscellaneous-Telephone	Colony Theater Restoration
3488	01/30/03	AT&T	93.01	Miscellaneous-Telephone	Colony Theater Restoration
3489	01/30/03	Duratel, Inc.	75.00	Miscellaneous-Phone line connect	Colony Theater Restoration
3510	02/13/03	BellSouth	442.30	Miscellaneous-Telephone	Colony Theater Restoration
3511	02/24/03	AT&T	153.39	Miscellaneous-Telephone	Colony Theater Restoration
3519	03/06/03	BellSouth	160.94	Miscellaneous-Telephone	Colony Theater Restoration
3530	03/13/03	Nu-Art Signs	924.48	Miscellaneous-Construct. Signs	Colony Theater Restoration
3543	03/28/03	BellSouth	219.53	Miscellaneous-Telephone	Colony Theater Restoration
3556	04/21/03	AT&T	17.59	Miscellaneous-Telephone	Colony Theater Restoration
3566	05/01/03	BellSouth	131.28	Miscellaneous-Telephone	Colony Theater Restoration
3583	06/03/03	AT&T	51.20	Miscellaneous-Telephone	Colony Theater Restoration
3584	06/03/03	BellSouth	156.97	Miscellaneous-Telephone	Colony Theater Restoration
3616	07/08/03	BellSouth	167.13	Miscellaneous-Telephone	Colony Theater Restoration
3638	07/28/03	Colony Theater Café, Inc.	2,400.00	Miscellaneous-Tunneling & Backfilling	Colony Theater Restoration
3640	07/31/03	BellSouth	151.17	Miscellaneous-Telephone	Colony Theater Restoration
			<u>6,968.18</u>		
3454	12/03/02	ATC Associates, Inc.	2,600.00	Professional Services-Asbestos Survey	Colony Theater Restoration
3467	12/26/02	R.J. Heisenbottle Architects	34,367.55	Professional Services	Colony Theater Restoration
3468	12/26/02	McCartney Construction Company	67,735.49	Construction Costs	Colony Theater Restoration
3476	01/06/03	McCartney Construction Company	181,863.26	Construction Costs	Colony Theater Restoration
3525	03/13/03	McCartney Construction Company	83,143.22	Construction Costs	Colony Theater Restoration
3527	03/13/03	ATC Associates, Inc.	2,100.00	Professional Services-Asbestos Survey	Colony Theater Restoration
3528	03/13/03	McCartney Construction Company	47,281.19	Construction Costs	Colony Theater Restoration
3529	03/13/03	R.J. Heisenbottle Architects	8,163.08	Professional Services	Colony Theater Restoration
3549	04/08/03	R.J. Heisenbottle Architects	5,583.65	Professional Services	Colony Theater Restoration
3550	04/08/03	McCartney Construction Company	46,916.28	Construction Costs	Colony Theater Restoration
3573	05/15/03	McCartney Construction Company	94,114.99	Construction Costs	Colony Theater Restoration
3578	05/19/03	R.J. Heisenbottle Architects	844.23	Professional Services	Colony Theater Restoration
3623	07/14/03	McCartney Construction Company	282,233.82	Construction Costs	Colony Theater Restoration
3659	08/18/03	McCartney Construction Company	300,892.85	Construction Costs	Colony Theater Restoration
			<u>1,157,839.61</u>		
<b>TOTAL COLONY THEATER RESTORATION</b>			<b>1,207,949.49</b>		
3456	12/09/02	Zyscovich	28,788.54	Architect, Consult & Reimb. Services	17th Street Surface Lot
			<u>28,788.54</u>		
<b>TOTAL 17th STREET SURFACE LOT</b>			<b>28,788.54</b>		
3647	08/07/03	Florida Dept. of Environmental Protection	800.00	Miscellaneous	Beachwalk Project
			<u>800.00</u>		
3436	11/07/02	Coastal Systems International, Inc.	10,784.32	Professional Services	Beachwalk Project
3460	12/23/02	Coastal Systems International, Inc.	4,850.00	Professional Services	Beachwalk Project
3479	01/06/03	Coastal Systems International, Inc.	6,488.68	Professional Services	Beachwalk Project
3500	02/11/03	Coastal Systems International, Inc.	2,087.73	Professional Services	Beachwalk Project

Redevelopment Agency - City Center District  
Check & Wire Transfer Register by Project & Type of Expense  
Fiscal Year 2003 (through August 31, 2003)

Check #	Date	Payee	Amount	Type of Expense	Project or N/A
3533	03/20/03	Coastal Systems International, Inc.	7,992.41	Professional Services	Beachwalk Project
3554	04/16/03	Coastal Systems International, Inc.	7,764.72	Professional Services	Beachwalk Project
3563	04/28/03	Telecom Engineering Consultants, Inc.	300.00	Professional Services	Beachwalk Project
3564	04/28/03	Coastal Systems International, Inc.	11,499.29	Professional Services	Beachwalk Project
3587	06/02/03	Coastal Systems International, Inc.	6,310.42	Professional Services	Beachwalk Project
3614	07/08/03	R.L. Saum Construction Co.	102,092.77	Professional Services	Beachwalk Project
3617	07/08/03	Coastal Systems International, Inc.	9,550.41	Professional Services	Beachwalk Project
3639	07/31/03	Coastal Systems International, Inc.	13,307.76	Professional Services	Beachwalk Project
3652	08/13/03	R.L. Saum Construction Co.	27,000.00	Professional Services	Beachwalk Project
3660	08/18/03	R.L. Saum Construction Co.	67,500.00	Professional Services	Beachwalk Project
			<u>277,528.51</u>		
<b>TOTAL BEACHWALK PROJECT</b>			<b>278,328.51</b>		
3595	06/11/03	City of Miami Beach	562.50	Reimb. CMB for Ceramic Mural Sample	Lincoln Road Improv. Project
3625	07/14/03	City of Miami Beach	2,000.00	Reimb. CMB for metal halide bulbs	Lincoln Road Improv. Project
3628	07/15/03	City of Miami Beach	45,600.00	Reimb. CMB for 160 lighting fixtures	Lincoln Road Improv. Project
3629	07/15/03	City of Miami Beach	86,518.20	Reimb. CMB for lighting fixtures	Lincoln Road Improv. Project
			<u>134,680.70</u>		
<b>TOTAL LINCOLN ROAD IMPROVE. PROJECT</b>			<b>134,680.70</b>		
3571	05/15/03	City of Miami Beach	177,372.00	CMB Construction Mgmt.	Bass Museum
			<u>177,372.00</u>		
<b>TOTAL BASS MUSEUM PROJECT</b>			<b>177,372.00</b>		
3516	03/03/03	Squire, Sanders & Dempsey	1,140.00	Legal Fees	New World Symphony
3552	04/16/03	Squire, Sanders & Dempsey	2,163.50	Legal Fees	New World Symphony
3604	06/17/03	Squire, Sanders & Dempsey	911.25	Legal Fees	New World Symphony
3621	07/10/03	Squire, Sanders & Dempsey	3,872.00	Legal Fees	New World Symphony
3648	08/07/03	Squire, Sanders & Dempsey	68.74	Legal Fees	New World Symphony
			<u>8,155.49</u>		
<b>TOTAL NEW WORLD SYMPHONY</b>			<b>8,155.49</b>		
3571	05/15/03	City of Miami Beach	16,595.33	CMB Construction Mgmt.	Conv. Ctr. Storm Water Improv
			<u>16,595.33</u>		
<b>TOTAL CONV. CTR. STORM WATER IMPROV</b>			<b>16,595.33</b>		
3588	06/03/03	HNTB Corporation	7,251.00	Traffic Analysis	Washington Ave. Streetscape
			<u>7,251.00</u>		
<b>TOTAL WASHINGTON AVE. STREETSCAPE</b>			<b>7,251.00</b>		
3608	06/24/03	Edward Lewis Architects, Inc.	15,000.00	Professional Architectural Services	Rotunda
			<u>15,000.00</u>		
<b>TOTAL ROTUNDA</b>			<b>15,000.00</b>		
<b>REPORT TOTAL</b>			<b><u>\$ 21,716,316.31</u></b>		



**ATTACHMENT “A”**

**SUMMARY OF MAJOR  
PROJECTS**

## **REDEVELOPMENT PROJECTS (Planned and/or Underway)**

### **City Center Projects:**

#### **Project**

#### **Status - as of 08/31/03**

##### **Beachwalk Project**

An at-grade, landscaped pedestrian beachwalk, connecting 21st Street to Lummus Park, designed and engineered by Coastal Systems International. The Project was permitted by the State of Florida in March, 1998. The Project was contested by a property owner and was stalled for almost 5 years in court. In November, 2001, the City received a Partial Notice to Proceed from the State of Florida as a result of a favorable finding for City by the courts. The full permit was issued in April 2002. Plans and bid specifications for the Beachwalk as well as the street-end improvements for 17th and 18th Street street-ends, which are part of the Beachwalk, have been updated and completed by the Architect. The Project was put out to bid during the last week of August 2002. Proposals were received during the last week of October. On November 13, 2002, the RDA awarded a contract to R. L. Saum Construction Co. to proceed with the project and appropriated \$3.7 million. Construction began during mid-March 2003 and is being phased as to mitigate adverse impact to area hotels and businesses fronting the beach.

**Total Project Cost: \$4 Million**

**Total CRA participation: \$4 Million - Construction**

##### **17<sup>th</sup> & 18<sup>th</sup> Street-end Project**

The current layout of the 17<sup>th</sup> and 18<sup>th</sup> Street street-ends poses severe limitations for traffic circulation and parking, especially as it relates to the operations of the Delano and Ritz Plaza Hotels. Coastal Systems contract for the design of the Beachwalk was amended to include the development of conceptual plans and cost estimates for the extension of 17th and 18th Streets, seaward to the ECL. Coastal Systems is recommending extending and reconstructing both street-ends to match the Boardwalk motif. The street-end cul-de-sacs are proposed to be relocated approximately 50 to 70 feet east, respectively, to enhance the conditions of the streets and improve the street-end layout. Extension and reconstruction of the two street-ends will require demolition and reconstruction of the public right-of-way with new curbing, paver block sidewalks, asphalt pavement, striping and signage. Construction Drawings and specifications have been updated to reflect FDOT improvements and tie-ins on Collins Avenue. The Project was bid as part of the Beachwalk Project and will follow the same schedule.

**Total Project Cost (est): \$610,000**

**Total CRA participation: \$610,000 - Construction**

## **Project**

## **Status - as of 08/31/03**

### **Collins Park Cultural Center**

Implementation of a Master Plan calling for the development of a new regional library, streetscape and park improvements to link cultural activities in the area, including the Bass Museum and the Miami City Ballet. Land acquisition through eminent domain was completed in January 2002 and construction documents for the remaining portions of the Cultural Campus as identified in the Master Plan have been completed. On April 10, 2002, the City awarded the construction contract for the Library to the Tower Group. Construction began in May 2002 and is anticipated to be completed in mid-September, 2003. Opening is anticipated in December, 2003.

**Total Project Cost (Library Only):** \$8 Million - Construction (Miami-Dade County)

**Total CRA participation:** \$4.1 Million land acquisition (to date). Note, this amount is not reflected in the total project cost.

### **Colony Theater Project**

The City has engaged the State of Florida's Department of Management Services to manage the restoration and renovation of the Colony Theater. Preliminary plans call for the removal of the rear 45 feet of existing building, construction of a new stage house, small second and third floor service areas behind the stage, a fourth floor "Backstage" area, elevator, stairs, and the addition of a new vestibule and exterior access ramp to provide ADA access to the stage. The historic preservation scope involves removing the existing marquee and storefront on Lincoln Road to its original historic appearance and modifying the interior lobby, office and concession area to be more consistent with the building's original design. Construction drawings were completed on April 29, 2002, and have been submitted to the Building Official for review. Due to delays with structural reviews and permitting, the Project start-up was delayed by approximately 6 months, beginning in late November, 2002, and is anticipated to take 12-14 months to complete. To date, demolition of the main stage house, as well as, non-historic portions of the lobby are completed. Production piles have been completed and vertical construction had begun on the site of the new stage house. Structural bracing has been installed to protect lobby and auditorium structures and electrical rough-in is occurring in the auditorium. The current schedule calls for the completion of installation of the pile caps and grade beams around the perimeter of the new stage and future elevator shaft areas and installation of the air conditioning ductwork and rough electrical. The Project is scheduled for substantial completion in early Summer, 2004.

**Total Project Cost:** \$6.3 Million

**Total CRA participation:** \$3.2 Million - Construction

## **Project**

**Status - as of 08/31/03**

### **New World Symphony Negotiations**

Concurrent with delivery of the 17<sup>th</sup> Street Master Plan study (Master Plan) by Zyscovich, Inc., in October, 2001, the Administration has been in negotiations with the New World Symphony (NWS) regarding its proposed lease of a portion of the 17th Street Surface Parking Lot to accommodate its Sound Space design concept (the Project). As envisioned, the proposed 50,000 square foot facility will provide state-of-the-art communication and media capabilities with performance, classroom, rehearsal and broadcast space. In addition to providing a world-renowned, state-of-the-art facility, another focal point for the community, and the basis for considering the facility's location on this site, is that it will incorporate giant video screen(s) on one or more facades of the building, allowing the public to view live and recorded broadcasts from around the world. The Master Plan contemplates situating the facility on the west surface lot, just to the north of the exiting NWS Theater on Lincoln Road. On July 30, 2003, the Development Agreement between the City of Miami Beach and the New World Symphony, following a duly noticed public hearing, was approved on first reading. A second and final reading of the Development Agreement was held on September 10, 2003, together with a Resolution approving a Lease Agreement, following a separate public hearing.

Separately, but related to the implementation of the 17<sup>th</sup> Street Master Plan and the realization of NWS' plans, the CIP Projects Office is developing specifications for an RFP for architectural and planning services for the programming and design of the City Hall Expansion Lot and P-Lot parking facilities.

### **City Center Right-of-Way Improvement Project**

The City Center Right of Way (ROW) Infrastructure Improvement Project is a \$16 million infrastructure project which includes the restoration and enhancement of right-of-ways/streetscapes throughout City Center, including roadway, sidewalk, curb and gutter, landscape, streetscape irrigation, lighting, potable water, and storm drainage infrastructure as needed. The estimated budget for the project is \$16,069,350. The estimated construction budget for the project is \$12,173,750. This estimated construction total includes \$6,577,500 for streetscape; \$4,296,250 for stormwater improvements; and \$1,300,000 for water improvements. A Request for Qualifications has been issued for architectural and engineering services to begin the planning and design of the project.

**Total Project Cost:** \$16 million

**Total CRA participation:** \$16 million

MIAMI BEACH REDEVELOPMENT AGENCY  
COMMISSION ITEM SUMMARY



**Condensed Title:**

Executive Director authority during the period of October 15, 2003 through November 24, 2003.

**Issue:**

Shall the RDA authorize the Executive Director, or his designee, to select, negotiate, award and/or renew all contracts, and reject all bids?

**Item Summary/Recommendation:**

October 15 is the last RDA meeting where the sitting RDA can take official action other than election related items. Between the last meeting on October 15, 2003, and the first regularly scheduled meeting on November 25, 2003, the RDA will not be in session. During this five-week period, there may be bids or contracts in excess of the \$25,000, which may need to be rejected, awarded or terminated.

Based on the above, it is requested, that the City Manager, or his designee, be authorized to sign all contracts, agreements, purchase orders, change orders, and grant applications; renew any existing contracts, for an appropriate period of time; terminate existing contracts, as needed, from the last Commission meeting on October 15, 2003, until the first regularly scheduled RDA meeting on November 25, 2003, subject to ratification by the RDA at its first regularly scheduled meeting on November 25, 2003.

**ADOPT THE RESOLUTION.**

**Advisory Board Recommendation:**

N/A

**Financial Information:**

Source of Funds:		Amount	Account	Approved
<div><div></div><div>Finance Dept.</div></div>	1			
	2			
	3			
	4			
	Total			

**City Clerk's Office Legislative Tracking:**

Gus Lopez, ext. 6641

**Sign-Offs:**

Department Director	Assistant City Manager	City Manager
GL	CMC	JMG

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AGENDA ITEM

3A

DATE

10-15-03

# MIAMI BEACH REDEVELOPMENT AGENCY

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139  
<http://ci.miami-beach.fl.us>



## REDEVELOPMENT AGENCY MEMORANDUM

**TO:** Chairman and Members  
Miami Beach Redevelopment Agency

**DATE:** October 15, 2003

**FROM:** Jorge M. Gonzalez  
Executive Director

**SUBJECT:** A RESOLUTION OF THE CHAIRMAN AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY, AUTHORIZING THE EXECUTIVE DIRECTOR, OR HIS DESIGNEE TO SELECT, NEGOTIATE, AWARD AND REJECT ALL BIDS, CONTRACTS, AGREEMENTS, PURCHASE ORDERS, CHANGE ORDERS AND GRANT APPLICATIONS; RENEW EXISTING CONTRACTS WHICH MAY EXPIRE; TERMINATE EXISTING CONTRACTS AS NEEDED; FROM THE LAST COMMISSION MEETING ON OCTOBER 15, 2003, UNTIL THE FIRST REGULARLY SCHEDULED COMMISSION MEETING ON NOVEMBER 25, 2003, SUBJECT TO RATIFICATION BY THE CITY COMMISSION AT ITS FIRST REGULARLY SCHEDULED MEETING IN NOVEMBER 25, 2003.

### ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

### BACKGROUND

October 15 is the last RDA meeting where the sitting members of the RDA can take official action other than election related items. Between the last meeting on October 15, 2003, and the first regularly scheduled meeting on November 25, 2003, the RDA will not be in session. During this five-week period, there may be bids or contracts in excess of the \$25,000, which may need to be rejected, awarded or terminated.

Based on the above, it is requested, that the Executive Director, or his designee, be authorized to sign all contracts, agreements, purchase orders, change orders, and grant applications; renew any existing contracts, for an appropriate period of time; terminate existing contracts, as needed, from the last RDA meeting on October 15, 2003, until the first regularly scheduled RDA on meeting on November 25, 2003, subject to ratification by the RDA at its first regularly scheduled meeting on November 25, 2003.

Since this authorization is necessary to ensure that essential services and projects continue during the period between the last RDA meeting on October 15, 2003, until the first regularly scheduled RDA meeting in November 25, 2003, it is recommended that the RDA adopt this Resolution.

JMG:CC:GL

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## **RESOLUTION TO BE SUBMITTED**

# CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139  
www.miamibeachfl.gov



## REDEVELOPMENT AGENCY MEMORANDUM

**To:** Chairman David Dermer and  
Members of Miami Beach Redevelopment Agency

**Date:** October 15, 2003

**From:** Jorge M. Gonzalez  
Executive Director

**Subject:** **STATUS REPORT ON THE NEGOTIATIONS BETWEEN THE CITY OF MIAMI BEACH, THE MIAMI BEACH REDEVELOPMENT AGENCY AND RDP ROYAL PALM HOTEL LIMITED PARTNERSHIP ("RDP").**

### ANALYSIS:

Over the past year and a half, the Administration, and the Commission liaison(s) (initially Commissioner Simon Cruz and presently Commissioner Jose Smith), as appointed liaison by the Redevelopment Agency (RDA), the City Attorney and outside counsel, Joel Minsker, have met with Don Peebles and his representatives to address the outstanding issues in connection with the Royal Palm Crowne Plaza Hotel (RDP).

On November 13, 2002, the RDA Board discussed the progress of the negotiations, was provided a summary of the outstanding issues at that time and directed negotiations to continue. On April 30, 2003, the RDA Board considered approval of a Letter of Intent ("LOI") subject to certain amendments which were not accepted by Don Peebles.

On June 11, 2003, the RDA Board directed the Manager, with Commissioner Jose Smith as liaison, to continue negotiations subject to the following guidance:

1. Explore extending the term of the contract from 25 years to some other period, perhaps 99 years. Periodic payments of the Return to the RDA/City should be addressed in the negotiations. The RDA/City may want to define periods of when the RDA/City will receive the 8% accrued and unpaid interest.
2. Relative to the Rental, there is no sentiment on the Commission to reduce the rent, but there is some flexibility on ramping up and making it up along the way (relatively short period of time, may be a year or two). There needs to be discussion on how the rent for the period of time between May 15, 2002 until June 1, 2003 will be paid.
3. The 4/30 LOI will serve as the basis for the negotiations.
4. The rent (1/12 of the \$490,000) will be paid beginning June 2003 and prospectively.
5. The Administration is to report back on September 10 or, because of travel schedules, the second meeting in September with a final agreement.
6. Whatever rights the City has today will continue (rights as of today will not be adversely affected) and as such, a Tolling Agreement was executed by the parties in June 2003.
7. Allowance for turning the Shorecrest Hotel into condominium units which is in the April 30 LOI will continue to be a relevant term. This is where a lot of the equity could be extracted to makeup the overrun.
8. Commissioner Smith will act as the liaison to the negotiations.

Agenda Item

3B

Date 10-15-03



Since that date, the parties have continued to address the salient issues and the proposed negotiated terms, in addition to those presented on April 30, 2003 (see attached April 30, 2003 memorandum) are summarized below and reflected in the attached Letter of Intent (LOI).

- 1) The Lease will be amended to provide that the Base Rent and Additional Rent due from Hotel Opening Date of May 15, 2002 to May 15, 2003 will be deferred and payable over a 10 year period commencing in Lease Year 5 through Lease Year 14. (Refer to attached Exhibit)
- 2) The Lease will be amended to provide that the Additional Rent and Incentive Rent due in Lease Year 2, 3, 4 and 5, will be deferred and payable over a 10 year period commencing in Lease Year 6 through Lease Year 15. (Refer to attached Exhibit)
- 3) Beginning in Lease Year 2, Base Rent shall be due and payable in accordance with the Lease terms.
- 4) The Lease will be amended to provide that the outside date for payment of the Purchase Price (which includes the 8% return) will be extended from 25 to 99 years.
- 5) The Refinancing Times stated in Section 11.13(a) of the Lease shall be changed to on or prior to the beginning of the fifth (5<sup>th</sup>) year after the Hotel Opening Date ("First Refinancing"); on or prior to ten (10) years after the closing of the First Refinancing ("Second Refinancing") and then every tenth (10<sup>th</sup>) anniversary of the Second Refinancing thereafter provided that the maturity date of any refinancing that extends beyond the next required Refinancing will not have to be repaid prior to its maturity provided said maturity date is no later than twenty (20) years from the last refinancing; provided further however, that when Tenant refinances the Balance of its Debt, the Net Refinancing Proceeds, as defined in Section 11.13(b) of the Lease shall be applied to the extent available in the following order:
  - A. To Owner to pay the deferred Rental described in items 1 and 2 above;
  - B. 50% to Owner to pay the 8% return applicable as part of the Purchase Price accrued and unpaid to date; and 50% to Tenant to repay Town Park (Management Company) for Cost Overruns\* paid by Town Park (estimated at \$5 million).
  - C. To Owner to pay the balance of the 8% return applicable as part of the Purchase Price accrued and unpaid to date;
  - D. 50% to Owner to pay the Purchase Price (which includes the 8% return) for Owner's Interest in the Premises; and 50% to Tenant for Tenant Cost Overruns\* paid by Tenant (estimated at \$2 million);
  - E. To Owner to pay the balance of the Purchase Price (which includes the 8% return) for Owner's Interest in the Premises;
  - F. To Tenant if any funds remain after paying in full the amounts in 6A-6E above.

*\*Any Cost Overruns will be calculated net of (1) any Clark settlement proceeds paid to Tenant, directly or indirectly but (a) net of attorneys and other professional fees*

*and court costs not reflected in Tenant's cost overrun calculation and not advanced by Town Park and (b) the Clark Credit to the extent paid to Owner, and (2) any prior overrun or equity repayments from the two (2) prior future advances paid to Tenant. Cost Overruns will be subject to a full accounting and review by the Owner, with the exact amounts in 5B and 5D to be agreed upon by the parties.*

- 6) In Lease Year 25, and every 10 years thereafter, Tenant shall pay Owner any accrued and unpaid portion of the 8% return as follows:
  - A. Any and all unpaid portions of the 8% return accrued in Lease Years 1-25 will be amortized and paid over 10 years in Lease Years 26-35.
  - B. Any and all unpaid portions of the 8% return accrued in subsequent 10 Lease Year increments (i.e. Lease Years 26-35, 36-45, 46-55, 56-65, 66-75, 76-85, 86-95, and 95- expiration will be amortized and paid over 10 years in the respective succeeding 10 year Lease Term periods (i.e. Lease Years 36-45, 46-55, 56-65, 66-75, 76-85, 86-95, and 95–expiration, respectively) and will be referred to as (the “Amortized Return”).
  - C. Commencing on Lease Year 35 and for each Lease Year thereafter, to the extent that the Base Rent, Additional Rent and the “Amortized Return”, in aggregate, payable in each Lease Year is less than \$800,000, as adjusted for inflation (the “Rental Cap”), then in such Lease Year, Tenant shall pay the difference between the “Rental Cap” less the aggregate of Base Rent, Additional Rent and the “Amortized Return” for said Lease Year, as Mandatory Incentive Rent (the “Mandatory Incentive Rent”). If in any such Lease Year, on or after Lease Year 35, Incentive Rent is payable, such Incentive Rent shall be due and payable even if such payment results in a payment that Year in excess of the Rental Cap. “Rental Cap” is defined as the \$800,000 amount which shall be increased at the beginning of the tenth (10<sup>th</sup>) Lease Year, and every five (5) years thereafter, in the proportion as the percentage increase in the GDP Implicit Price Deflator Index from the Hotel Opening Date.
- 7) Lease terms, such as those relating to Rental inflation increases, that are adjusted in increments through Lease Year 25, will be extended consistent with the new 99 year Lease term.
- 8) The Lease will be amended to provide that in the event of any Sale, all deferred and/or unpaid Rental and the 8% return shall be due and payable. Any Sale will cause all Rental, including any deferrals thereof, as stated in the Ground Lease Amendment to revert to the original Rental without any deferrals thereof, as provided in the original Lease.
- 9) All remaining terms and conditions of the April 30, 2003 LOI, not in conflict with the terms provided for herein, shall remain unchanged and are incorporated by reference herein.
- 10) As it relates to the Town Park 1% equity interest, the Lease will be amended as follows:

- A. The amendments proposed by Developer in the attached "Amendment to Agreement of Lease" will be included in the LOI and final closing documents and will terminate upon the Sale of the Hotel or earlier of (1) termination of the Hotel Management Agreement between RDP and Town Park Hotel Corporation or (2) 15 years from Hotel Opening Date.
- B. Section 16.7(e) of the Lease will be deleted in its entirety
- C. Any payments or costs in connection with the "Note" and/or "Loan", as defined in "the Amendment to Agreement of Lease", will not be considered "Operating Expenses" as defined in the Lease.

The most substantive changes from the items presented to the City Commission on April 30, 2003, relate to the City/RDA's agreement to

- 1) Extend the term to 99 years and delete the mandatory purchase in Lease Year 25;
- 2) Deferral of a portion of Rental and amortized over a 10 year period, primarily during Lease years 5-15.
- 3) Periodic payments of accrued and unpaid Return will be paid commencing in Lease Year 26 and annually thereafter; and
- 4) As previously negotiated, the release of the Shorecrest Property for condominium/hotel/timeshare, upon full payment of the Purchase Price in full, i.e. \$10 million. Additionally, the elimination of the excess Facility Usage Payment will represent an annual recurring savings to the Anchor Shops Garage/RDA.

#### Current Status

On September 10, 2003 a status report was provided and the RDA Board requested that prior to final approval of negotiated terms that the Administration report on the status of the Union Planters Default notice.

While the parties had reached agreement on all the business terms, on September 30, 2003 a conference call was held amongst the parties at which time RDP advised that the Union Planters' Default issue would not be resolved prior to the October 15, 2003 RDA meeting. As such, a deferment of consideration of the Agreement was proposed which RDP did not deem to be necessary and as a result, RDP said "the deal is off". (See attached correspondence dated September 30, 2003)

On October 2, 2003, Mr. Peebles responded and executed a revised LOI, changing several items from the September 26, 2003 LOI forwarded to him (distributed via LTC#240-2003). On October 9, 2003, a revised October 9, 2003 LOI was forwarded to Mr. Peebles, which is attached hereto, incorporating certain changes he requested and retaining the form of the Bank Consent the City requested and requesting a letter curing the Union Planters Default notice. Attached, I have also provided an updated Net Present Value calculation reflecting the new negotiated terms in comparison to the Existing Lease Terms and the April 30, 2003 LOI Terms.

As of the date of this writing, a response to the Agency's October 9, 2003 correspondence and LOI has not yet been received.

# MIAMI BEACH REDEVELOPMENT AGENCY

1700 Convention Center Drive, Miami Beach, FL 33139  
<http://www.miamibeachfl.gov>



Telephone (305) 673-7010  
Facsimile (305) 673-7782

## VIA E-MAIL AND COURIER

October 9, 2003

R. Donahue Peebles  
President  
RDP Royal Palm Hotel Limited Partnership  
PADC Hospitality Corporation I  
550 Biltmore Way, Suite 550  
Coral Gables, FL 33134

**Re: Royal Palm Letter of Intent ("LOI") – your October 2, 2003 correspondence**

Dear Mr. Peebles:

Thank you for your October 2, 2003 correspondence and your willingness to bring this matter to conclusion.

To that end, I have enclosed a clean and a black lined copy of our previous "September 26, 2003 LOI", which I have revised to incorporate certain (but not all) changes you have requested ("October 9, 2003 LOI").

In particular, please note that I have not changed our original paragraph 21.9 in the "September 26, 2003 LOI" regarding the Bank Consent Letter, except for the deletion of the sentence regarding no drafting or other legal work. Additionally, I have agreed to accept your offer to draft all of the Closing Documents within fifteen (15) days after Agency approval of the LOI and have incorporated that language in paragraph 21.1, consistent with your request.

As to Exhibit "B", you have made changes to indicate satisfaction of certain elements by way of letters dated January 15, 2003 and March 12, 2003, which the Agency still deemed outstanding on April 30, 2003. Therefore, I have noted in Exhibit "B" attached to the October 9, 2003 LOI, the Agency's need to clarify these discrepancies within the thirty (30) day timeframe allotted in paragraph 10.2 of the LOI and have revised "Article 11 Mortgages" to reflect consistent language.

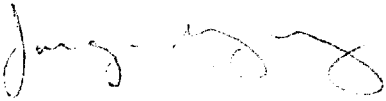
Given the Default Notice we received, its significance and our inability to discuss this matter with your Lender, I cannot in good conscience recommend the enclosed "October 9, 2003 LOI" for approval by the Agency, without first receiving a letter curing the Union Planters Default Notice on your \$55 million loan. Additionally, Joel Minsker is available the evening of Tuesday, October 14, 2003, to review the Union Planters and Town Park documents at your counsel Hunton Williams' offices, as you suggested. Please indicate if this is acceptable.

R. Donahue Peebles  
October 9, 2003  
Page 2 of 2

Considering all the exchange of correspondence and the numerous meetings held between the parties and in light of the fact that you have been directly involved in every negotiation which are of such great importance to both parties, it is imperative that you, with your signature, acknowledge the terms set forth herein by accepting and executing the "October 9, 2003 LOI".

In an effort to bring this protracted negotiation to a successful conclusion, I have narrowly focused on the issues of importance to the Agency and the City. Please indicate your acceptance of the "October 9, 2003 LOI", by signing and returning the attached "October 9, 2003 LOI", unchanged, and providing the Union Planters notice curing the aforesaid default no later than Friday, October 10, 2003 at noon, for inclusion in the City Commission/Agency Agenda package to be considered on October 15, 2003.

Sincerely,



Jorge M. Gonzalez  
City Manager

Enclosures

c: Honorable Chairman and Members of the Redevelopment Agency  
Murray H. Dubbin, City Attorney and Redevelopment Agency General Counsel  
Joel N. Minsker, Bloom & Minsker, P.L.  
Stuart K. Hoffman, Esq.

JMG\CMC\rar

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**LETTER OF INTENT  
TO AMEND ROYAL PALM  
CROWNE PLAZA RESORT AGREEMENTS**

Subject: Royal Palm Crowne Plaza Hotel  
Parties: RDP Royal Palm Hotel Limited Partnership ("RDP")

City of Miami Beach (the "City")

Miami Beach Redevelopment Agency (the "Agency")

Date: \_\_\_\_\_, 2003

**RECITATIONS:**

A. On May 28, 1998, the parties entered into an Agreement of Lease regarding the land more fully described on Exhibit "A" ("Land") attached hereto and made a part hereof as if fully set forth herein, as recorded on July 1, 1998 in Official Records Book 18170, at Page 0893, in the Public Records of Miami-Dade County, Florida ("Lease").

B. Subsequent to the recording of the Lease, RDP began the construction of the Royal Palm/Shorecrest Crowne Plaza Hotel ("Hotel").

C. During the construction of the Hotel, RDP encountered structural problems with the original Royal Palm Hotel and soil contamination problems regarding the Land which allegedly resulted in certain construction delays. A dispute arose amongst the parties regarding the aforesaid problems and delays resulting in RDP's refusal to pay certain Rental due under the Lease and the Agency's refusal to pay claims related to said contamination and alleged construction delays.

D. The parties respectively deny and dispute all such claims and allegations against them, whether asserted or unasserted.

E. The parties, wishing to avoid litigation and amicably resolve all matters existing between them, entered into negotiations regarding the aforesaid disputes. This letter sets forth the understanding reached as a result of such negotiations. Capitalized terms which are not defined in this Letter of Intent to Amend Royal Palm Crowne Plaza Resort Agreements ("LOI") shall have the meanings ascribed to them in the existing, applicable documents. "Agency" means, as appropriate, the Agency or the City or both, as the case may be.

F. Agency and Owner in their desire to maintain and fulfill their commitment to provide the African American community with opportunities in the hospitality industry, are willing to amend the Royal Palm Crowne Plaza agreements subject to the Hotel's continuing compliance with the Convention Center Agreement which provides, among other things, that the Hotel

owner and its successors and assigns make available Hotel facilities and services for support of the Convention Center events and to undertake joint marketing efforts.

**1. BACK RENT AND REAL ESTATE TAXES:**

1.1 Back Rent Prior To The Hotel Opening Date. RDP and the Agency agree that unavoidable delays attributed to the environmental and reconstruction delays occurred prior to the Hotel Opening Date. RDP has previously paid \$128,373.38 in Back Rent prior to the Hotel Opening Date; *i.e.*, from October 31, 2000 to May 14, 2002, and the Agency shall retain said amount in full settlement of all amounts due for Back Rent for the period prior to May 15, 2002. Additionally, RDP shall pay within five (5) days from the last execution of this LOI any and all applicable sales tax due and owing on said amount plus any interest and penalty assessed by the State of Florida against the City and/or the Agency for failure to pay applicable sales tax on said amount prior to the Hotel Opening Date.

1.2 Clark Credit. Subject to the conditions set forth in this Section 1.2, RDP shall pay to the Agency an amount up to \$140,000.00 ( the "Clark Credit") plus applicable sales tax when, and if, it settles its present litigation with The Clark Construction Group styled RDP Royal Palm Hotel, LP, Et Al. vs. The Clark Construction Group, Inc. vs. Arquitectonica International Corp., Et Al., U.S. District Court, Southern District of Florida, Case No. 01-3130-CIV-Middlebrooks ("Clark Litigation") or if it obtains a final non-appealable judgment in the Clark Litigation. RDP shall pay this amount to the Agency within ten (10) days of its receipt of funds from, and to the extent, either the settlement or the judgment provides excess funds after RDP pays its attorneys' fees and costs for the Clark Litigation. Article 4 of the Lease entitled "Late Charges" shall not apply to the payment of the Clark Credit. The application of the Clark Credit shall be treated as additional Back Rent which shall be due only if the conditions set forth in this Section are met and then only to that extent. Any amounts paid to the Agency under this Section 1.2 shall not apply to the eight percent (8%) return calculation as a component of the Purchase Price as defined in Section 36.1(d)(iii) of the Lease (the "Return"). This provision shall survive the payment of the Purchase Price.

1.3 Back Rent After The Hotel Opening Date. Base Rent and Additional Rent due, plus applicable sales tax, from the period of May 15, 2002 to May 15, 2003 ("Post Opening Back Rent") shall be deferred and payable over the ten (10) year period commencing in Lease Year 5 and ending in Lease Year 14.

1.4 Real Estate Taxes. The parties acknowledge that the 2002 real estate taxes on the Improvements are unpaid and that said taxes are being appealed. On or before the date the Closing Documents are executed, RDP shall provide to the Agency proof that it has complied with the requirements of Section 32.2(b) of the Lease as to said taxes. Further, to the extent that sales

taxes are due on real estate taxes which were the responsibility of RDP prior to the date of the execution of this LOI, RDP shall pay such taxes, penalties and penalty interest prior to the execution of the Closing Documents.

**2. FUTURE RENTAL:**

Additional Rent and Incentive Rent, plus applicable sales tax, due in Lease Years 2 through 5 shall be deferred and payable over the ten (10) year period commencing in Lease Year 6 and ending in Lease Year 15. Other than as stated in the preceding sentence, RDP shall continue to pay Base Rent, Additional Rent, and Incentive Rent (plus all applicable sales taxes on such non-deferred payments of same) as well as all other Rental from the date of execution of this LOI pursuant to the terms and conditions of the Lease.

**3. PURCHASE PRICE:**

3.1 Declaration of Covenants and Restrictions. The Declaration of Covenants and Restrictions shall be amended to provide that upon payment of the Purchase Price in full, the following changes shall be effective, but that said Declaration shall not otherwise be amended, modified or changed:

(1) with respect to the Shorecrest Land only, Section 2.2 shall no longer apply.

(2) with respect to both the RP Land and the Shorecrest Land, Section 2.3 shall no longer apply and if, as a result thereof, then applicable zoning ordinances, such as the current section 118-5 of the Miami Beach Code, require a covenant in lieu of unity of title, RDP shall cause such a covenant to be recorded as to said parcels.

3.2 Convention Center Agreement. The Convention Center Agreement shall be amended to provide that, upon payment of the Purchase Price in full, the "350 rooms per day" requirement stated in the Room Block definition shall be reduced to two hundred fifty seven (257) rooms per day. In all other respects, the definition of Room Block and the remainder of the Convention Center Agreement shall remain unchanged except as provided in paragraph 18.17 of this LOI.

3.3 Time for Payment in Full. The outside date for full payment of the Purchase Price shall be the Fixed Expiration Date rather than Lease Year 25 as presently provided for in the Lease. All Lease terms (such as those relating to Rental inflation increases, by way of example) that are presently adjusted in increments through Lease Year 25, shall be extended in the same increments to the Fixed Expiration Date.



**4. REFINANCING:**

The Refinancing Times stated in Section 11.13(a) of the Lease shall be changed to on or prior to the beginning of the fifth (5<sup>th</sup>) year after the Hotel Opening Date ("First Refinancing"); on or prior to ten (10) years after the closing of the First Refinancing ("Second Refinancing") and then every tenth (10th) anniversary of the Second Refinancing thereafter; provided however, that the maturity date of any refinancing that extends beyond the next required refinancing will not have to be repaid prior to its maturity provided said maturity date is no later than twenty (20) years from the last refinancing; provided further however, that when Tenant refinances the Balance of its Debt, the Net Refinancing Proceeds, as defined in Section 11.13(b) of the Lease, shall be applied to the extent available in the following order:

A. To Owner to pay the deferred Rental described in paragraphs 1.3 and 2 of this LOI;

B. Fifty percent (50%) to Owner to pay the Return applicable as part of the Purchase Price accrued and unpaid to date; and fifty percent (50%) to Tenant to repay Town Park Hotel Corporation, as Hotel Manager ("Town Park"), for Cost Overruns\* paid by Town Park (estimated at \$5 million).

C. To Owner to pay the balance of the Return applicable as part of the Purchase Price accrued and unpaid to date;

D. Fifty percent (50%) to Owner to pay the Purchase Price (which includes the Return) for Owner's Interest in the Premises; and fifty percent 50% first to any amounts then still due Town Park as described in Section 4B, above, and then to Tenant for Tenant Cost Overruns\* paid by Tenant (estimated at \$2 million);

E. To Owner to pay the balance of the Purchase Price (which includes the Return) for Owner's Interest in the Premises; and

F. To Tenant if any funds remain after paying in full the amounts in paragraphs 4A-4E above.

\*Any Cost Overruns will be calculated net of (1) any Clark settlement proceeds paid to Tenant, directly or indirectly but (a) net of attorneys and other professional fees and court costs not reflected in Tenant's Cost Overrun calculation and not advanced by Town Park and (b) the Clark Credit to the extent paid to Owner, and (2) any prior overrun or equity repayments from the two (2) prior future advances paid to Tenant. Cost Overruns will be subject to a full accounting and review by Owner, with the exact amounts in paragraphs 4B and 4D to be agreed upon by the parties.

**5. TENANT'S REPAYMENT OF THE RETURN:**

Beginning in Lease Year 25, and every ten (10) years thereafter, Tenant shall pay Owner any accrued and unpaid portion of the Return as follows:

A. Any and all unpaid portions of the Return accrued in Lease Years 1-25 will be amortized and paid over ten (10) years in Lease Years 26-35.

B. Any and all unpaid portions of the Return accrued in subsequent ten (10) Lease Year increments (*i.e.*, Lease Years 26-35, 36-45, 46-55, 56-65, 66-75, 76-85, 86-95, and 95-Fixed Expiration Date) will be amortized and paid over ten (10) years in the respective succeeding ten(10) year Lease Term periods (*i.e.*, Lease Years 36-45, 46-55, 56-65, 66-75, 76-85, 86-95, and 95-Fixed Expiration Date, respectively) and will be referred to as the "Amortized Return".

C. Commencing on Lease Year 35 and for each Lease Year thereafter, to the extent that the Base Rent, Additional Rent and the "Amortized Return", in aggregate, payable in each Lease Year is less than \$800,000, as adjusted for inflation (the "Rental Cap"), then in such Lease Year, Tenant shall pay the difference between the "Rental Cap" less the aggregate of Base Rent, Additional Rent and the "Amortized Return" for said Lease Year, as mandatory incentive rent (the "Mandatory Incentive Rent"). If in any such Lease Year, on or after Lease Year 35, Incentive Rent is payable, such Incentive Rent shall be due and payable even if such payment results in a payment that Lease Year in excess of the Rental Cap. "Rental Cap" is defined as the \$800,000 amount which shall be increased at the beginning of the tenth (10<sup>th</sup>) Lease Year, and ever five (5) years thereafter, in the proportion as the percentage increase in the GDP Implicit Price Deflator Index from the Hotel Opening Date.

**6. SALE OF THE HOTEL:**

In addition to the other provisions in the Lease regarding the Sale of the Hotel, upon the Sale of the Hotel the following shall occur:

A. All deferred and/or accrued and unpaid Rental and the Return shall be paid in full; and

B. All rental, including any deferrals thereof, as provided in the Ground Lease Amendment pursuant to this LOI, shall revert to the original Rental, without any deferrals thereof, as provided in the original Lease before the execution of the Ground Lease Amendment.

**7. TOWN PARK HOTEL CORPORATION AS HOTEL MANAGER:**

7.1 Recitals B-E and paragraph 2 of the amendments proposed by Tenant in the Amendment Re Town Park to Agreement of Lease attached hereto and incorporated by reference herein as Exhibit "D" shall be included in the Ground Lease Amendment; provided however, that same shall terminate upon the Sale of the Hotel or the earlier to occur of (i) termination of the Hotel Management Agreement between RDP and Town Park or (ii) fifteen (15) years from Hotel Opening Date.

7.2 Section 16.7(e) of the Lease will be deleted in its entirety.

7.3 Any payments or costs in connection with the "Note" and/or "Loan", as defined in the Amendment Re Town Park to Agreement of Lease, will not be considered "Operating Expenses" as that term is defined in the Lease.

7.4 Tenant warrants and represents to Owner and the City that Recitals B-E of the amendments proposed by Tenant are true and correct and are a material inducement for Owner and the City to include these amendments in the Ground Lease Amendment.

**8. FF&E RESERVE:**

8.1 Hotel FF&E Reserve. The percentages stated in Section 16.5(a) of the Lease with respect to the Hotel shall be changed as follows:

<u>Lease Year</u>	<u>Percentages of Hotel Revenues</u>
1	0%
2	1%
3	2%
4	3%
5 and thereafter	4%

**9. SHORECREST RESTAURANT:**

9.1 Changes to Article 33 of the Lease. Article 33 of the Lease shall be amended to delete therefrom subsections (a) through (f) and to permit in the area originally contemplated for the Restaurant (the "Space") the construction of a spa, additional meeting space or other improvements for any reasonable hotel purpose that will benefit the operation of the Hotel; provided, however, that such uses are permissible under all applicable local laws and zoning ordinances. The sizes and dimensions of all such facilities within the Space shall be as reasonably determined by RDP and the Operators (defined below) of the respective facilities. Subsection (g) shall be amended to relate to any Operator. The amended Lease shall provide that such facilities shall not be subject to any further approval by the

Agency except as provided in paragraphs 6.3 and 6.5, below, but the use and operation of said facilities shall be consistent with that of a first class hotel.

9.2 Fees and Costs. RDP shall be solely responsible for, and shall pay, at its sole cost and expense, any parking impact fees and any other costs, including but not limited to concurrency fees, permit fees and the like resulting from the new facilities.

9.3 The Space as a Condominium Unit. If the Space is located on the Shorecrest Land, and if RDP elects to create a condominium unit for the Space as permitted under the terms of the Lease, RDP shall cause the Declaration of Condominium to contain provisions that (i) the sale or lease of the Space unit shall be subject to the Agency's approval and (ii) the Space unit shall be operated in accordance with the quality standards referred to in paragraph 6 of this LOI.

9.4 Non-Disturbance Agreement. Upon request of RDP, the Agency shall execute a non-disturbance agreement in favor of a third party Space operator (an "Operator") containing terms generally found in such agreements in form and content reasonably acceptable to the Operator and the Agency, but the term of which shall be no longer than the earlier to occur of (i) the expiration of the third party Space agreement or (ii) twenty (20) years.

9.5 Operator Agreement. In the event the Space is managed or operated by an Operator pursuant to an agreement between RDP and Operator, said agreement shall be deemed to be Sublease under the Lease requiring Agency approval under Section 10.2(a)(v) of the Lease, the agreement shall contain quality standards pertaining to the operation and physical condition of the Space which shall be enforced by RDP, which standards and the selection of the Operator shall be subject to approval by the Agency.

## **10. EXISTING DISPUTED ITEMS:**

10.1 List Of Disputed Items. Exhibit "B" entitled "List of Disputed Items" is attached hereto and incorporated by reference herein as a list of the current disputed items under the Lease and other related documents as of the date of last execution of this LOI ("RDP Items").

10.2 Curing of RDP Items. RDP shall cure all of the RDP Items on or before thirty (30) days from the date of execution of this LOI except for those items listed in Exhibit "C" attached hereto and specifically incorporated herein.

## **11. RELEASES OF ALL CLAIMS BY RDP, THE AGENCY AND THE CITY:**

11.1 RDP Claims. RDP shall waive and release any and all alleged delay claims, environmental damage claims and any other claims of any kind whatsoever against the City and/or the Agency arising or accruing prior to the

date of execution of the Closing Documents upon the execution of the Closing Documents.

11.2 Agency and City Claims. The Agency and the City shall waive and release their Owner's excess contribution claim and any other claims of any kind whatsoever against RDP upon the execution of the Closing Documents.

11.3 Acknowledgement. Provided that all of the terms and conditions of this LOI have been satisfied by all parties, the amendment to the Lease shall contain a written acknowledgment that all alleged claims and other alleged defaults have been cured, settled and or waived, that all controversies between the parties have been settled and that the Lease is in good standing and in full force and effect.

## **12. GARAGE EASEMENT AGREEMENT:**

12.1 The Garage Easement Agreement shall be amended as appropriate to provide for and incorporate the following concepts:

- A. The parties shall have no further obligation for the payment of Use Fees and Facility Usage Payments and no such payments are due either party as of the date of the execution of this LOI.
- B. The words "and approved by Grantee" in Section 5(a) shall be deleted.
- C. RDP shall have no affirmative obligation to use the Garage for its Hotel guests and employees.
- D. Section 9(a) shall be deleted and the Garage Easement Agreement shall be removed from any cross default provisions contained in any of the Hotel related documents.
- E. The term "self park rate" shall mean (i) the rates charged to the general public at the Garage facility and identified as the maximum daily rate or (ii) the valet rate charged by the Royal Palm Hotel at RDP's election.

12.2 The remainder of the Garage Easement Agreement shall remain in full force and effect.

12.3 In the event that RDP creates a hotel condominium on the Shorecrest Land, then, in that event, the parties to this LOI agree that there are no rights or agreements under the Garage Easement Agreement which will be transferred to the Shorecrest Hotel Condominium unit owners.

**13. CONCESSION AGREEMENT UNDER THE LEASE:**

13.1 Fee Payment. RDP shall pay the Concession Fees due and owing, if any, under the Concession Agreement described in Exhibit 14.5 of the Lease on or before five (5) days after the last execution of this LOI. The parties are not now aware of any such outstanding fees.

13.2 License Fees. RDP shall pay or cause to be paid the corresponding occupational license fee in connection with the beachfront concession operation for the Hotel.

13.3 Shorecrest Condominium. In the event that RDP creates a hotel condominium on the Shorecrest Land, then, in that event, RDP shall pay (or cause the Shorecrest hotel condominium association to pay) the corresponding applicable beach concession fees consistent with those fees charged other upland private owners of hotel and condominium properties.

**14. CLARK CONSTRUCTION LITIGATION LIENS:**

The existing Clark Litigation liens and future liens, including liens filed or which may be filed by subcontractors, relating solely to the Clark Litigation, if any, against the leasehold interest of RDP in the Lease shall not be considered an Event of Default under any of the Hotel Documents so long as RDP diligently and in good faith continues to prosecute its claims to resolve all issues under the Clark Litigation; provided however, that nothing contained herein shall relieve RDP of its responsibility to remove these liens and to resolve those matters contained in Exhibit "C", either by resolution of the Clark Litigation or otherwise.

**15. ATTORNEYS FEES:**

Each party shall bear its own legal fees relating to this LOI and the Closing Documents except that RDP shall reimburse the Agency at the time of the execution date of the Closing Documents its legal fees up to the first \$60,000 charged by Bloom & Minsker, P.L., based upon an hourly rate of \$250.00. Agency shall provide to RDP detailed statements for professional services showing time and activity on a daily basis supporting said reimbursement.

**16. ADDITIONAL TERMS, CONDITIONS AND ISSUES NOT COVERED IN THIS LOI:**

Because of the complex nature of the documents involved and the changes being considered as a result of this LOI, RDP, the Agency and the City shall have the right to raise additional terms and conditions and issues not covered in this LOI and which are not inconsistent with the terms of this LOI as the actual drafting of the documents occurs and continues.

**17. SPECIAL INDEMNIFICATION BY RDP:**

RDP shall indemnify and hold harmless and shall provide defense for the Agency and the City by counsel reasonably acceptable to the Agency and the City regarding any and all matters arising out of, or relating directly or indirectly to, any challenges by any third parties to this LOI and the Closing Documents except for those challenges arising out of the Clark Credit, the payment and partial waiver of Back Rent and the settlement of alleged delay claims attributed to the environmental damage and reconstruction delays referred to in paragraph 1.1 of this LOI.

**18. COMPLETION GUARANTEE:**

18.1 The Agency and the City acknowledge that the Guarantor under the Completion Guarantee given to the Agency and the City shall be terminated upon delivery to the Agency and the City of the certificate by the Architect described in Section 2(i) of said Guarantee and Final CO's are issued as contemplated by Section 2(ii) of said Guarantee. In all other respects, Guarantor has complied with its obligations under the Guarantee. The Completion Deadline is tolled until said certificate is delivered and the Final CO's are issued.

**19. DECLARATION OF COVENANTS AND RESTRICTIONS:**

19.1 The parties acknowledge that the payment in full by RDP of the Purchase Price to the Agency shall not terminate the Declaration.

**20. CLERICAL CHANGES TO THE LEASE AND RELATED EXISTING DOCUMENTS:**

Non-substantive clerical changes such as current mailing addresses in the notice provisions and grammatical errors in the Hotel Documents shall be corrected in the Closing Documents.

**21. GENERAL:**

21.1 Definitive Agreements. Upon execution of this LOI by RDP, the approval of the terms hereof by the appropriate Agency and City governing bodies and the execution of this LOI by the appropriate Agency and City officials, the Closing Documents shall be drafted. Tenant shall submit first drafts of all of the Closing Documents to the Agency within fifteen (15) days after such approval. The Closing Documents will contain, among other things, representations, warranties, conditions, covenants and indemnities and the like typical in similar transactions, subject to the terms hereof. Furthermore, the parties to this LOI recognize that due to the complexity of the structure of these transactions, not all of the major legal issues have been covered by this LOI. The consummation of the transactions contemplated hereby is conditioned upon the negotiation and execution of the Closing Documents with terms, provisions and conditions mutually acceptable to RDP, the Agency and the City as well as the obtaining of

all necessary lender approvals and the satisfaction of the parties with all other agreements and matters necessary or desirable with respect to the transactions contemplated hereby. The parties shall comply with all applicable laws, statutes, regulations and requirements and performance by the Agency, the City and RDP under this LOI and the Closing Documents shall be subject thereto. The following is a list of the documents which may need to be amended or created (said list is not meant to be inclusive of all required agreement) and additional agreements shall be executed by the parties to this LOI as required:

LIST OF AGREEMENTS

- A. GROUND LEASE AMENDMENT
- B. CONVENTION CENTER AGREEMENT AMENDMENT
- C. DECLARATION OF COVENANTS AND RESTRICTIONS AMENDMENT
- D. GARAGE EASEMENT AMENDMENT
- E. AGENCY'S RELEASE OF CLAIMS
- F. CITY'S RELEASE OF CLAIMS
- G. RDP'S RELEASE OF CLAIMS
- H. SPECIAL INDEMNIFICATION BY RDP
- I. TERMINATION OF COMPLETION GUARANTY
- J. UCC FINANCING STATEMENTS - to renew lease UCC-1's as amended by Ground Lease Amendment

21.2 Assignment by Agency. In the event the Agency ceases to exist, the Closing Documents will provide that the rights granted to the Agency will inure to the benefit of the City and the City will be bound to perform the obligations therein.

21.3 Termination. This LOI may be terminated by either party if the Closing Documents have not been executed by six (6) months from the execution date of this LOI.

21.4 Non-binding. Except for the last sentence in paragraph 1.1 hereinabove and paragraph 21.11 hereinbelow which the parties to this LOI intend to be binding, (i) no party shall have any legally binding obligation to any other party under this LOI until such time as the Closing Documents are executed by all parties thereto; and (ii) no party will have any liability whatsoever under this LOI to any other party for failure to perform in accordance with this LOI, if any party decides to terminate this LOI or for any other reason related to this LOI.

21.5 Amendments. This LOI may be amended only by a written agreement executed by both of RDP and the Agency.



21.6 Governing Law and Venue. This LOI, the Closing Documents and their interpretation, validity and performance, shall be governed by the laws of the State of Florida, both substantive and remedial, without regard to principles of conflict of laws. The venue for any litigation arising out of this LOI or the Closing Documents shall be the Eleventh Judicial Circuit, Miami-Dade County, Florida, if in state court, and the U.S. District Court, Southern District of Florida, if in federal court.

21.7 "Approval" or "Consent." The use of the terms "approval" or "consent" in this LOI shall always be deemed to mean "reasonable approval" or "reasonable consent" except where specifically provided otherwise.

21.8 Counterparts. This LOI may be executed in counterparts and all such counterparts, when taken together, shall constitute this LOI.

21.9 Recognized Mortgagee Consent Letter. Tenant shall cause Union Planters Bank, the Recognized Mortgagee, to execute and deliver its letter consenting to this LOI as shown in Exhibit "E" attached hereto and incorporated by reference herein (the "Consent Letter") to the Agency and the City no later than thirty (30) days from the date of execution of this LOI ("Consent Letter Delivery Date"). The parties hereto agree that, except for the last sentence in paragraph 1.1 and paragraph 21.11 of this LOI, the remainder of this LOI shall not be in effect until the Consent Letter Delivery Date. In the event the Consent Letter is not delivered by the Consent Letter Delivery Date, then, in that event, except for the last sentence in paragraph 1.1 and paragraph 21.11 of this LOI, the remainder of this LOI shall be null and void and of no further force or effect.

21.10 Successors and Assigns. All references to any of the parties to this LOI shall include their permitted successors and permitted assigns.

21.11 Attorneys' Fees. In the event litigation arises solely under the last sentence in paragraph 1.1 hereinabove, then, in that event, the prevailing party shall be entitled to recover its attorneys' fees and court costs, including those involving appeals and/or post-judgment proceedings, if any.

21.12 LOI In Effect. This LOI shall remain in effect as provided hereinabove provided that RDP shall maintain the Lease and related existing documents in good standing and free of any defaults (the parties agreeing that the issues covered elsewhere in this LOI shall not be deemed defaults for purposes of this paragraph 21.12) during the pendency of this LOI; the failure of which shall automatically result in this LOI being terminated and of no further force and effect other than the specific binding paragraphs as provided in paragraph 21.4 of this LOI.

21.13 Privileged Settlement Communication. This LOI is a privileged settlement communication except for the specific binding paragraphs as provided in paragraph 21.4 of this LOI. The remainder of this LOI is strictly inadmissible

for any purpose pursuant to Section 90.408, Florida Statutes and Rule 408, Federal Rules of Evidence.

21.14 Statements Against Interest. Any statements made by any party to this LOI contained in this LOI have been made solely for the purpose of resolving all matters existing between the parties to this LOI. All parties to this LOI recognize and agree that any such statements may not be correct as applied to any other person or entities not a party to this LOI and more specifically, all parties to this LOI recognize and agree that any such statements may not be correct as applied to the Clark Litigation.

21.15 Recording Fees and the Like. RDP shall pay all recording fees and the like for all of the Closing Documents or any other documents contemplated by this LOI.

21.16 Waiver of Jury Trial. All of the Closing Documents shall, where applicable, contain a waiver of jury trial provision.

21.17 Cross Default. The Convention Center Agreement shall be amended to provide that a default in the Declaration shall be a default in the Convention Center Agreement.

**[CONTINUED ON NEXT PAGE]**

**AGREED AND ACKNOWLEDGED:**

**RDP ROYAL PALM HOTEL LIMITED  
PARTNERSHIP, a Florida limited partnership**

By: PADC HOSPITALITY CORPORATION I, Dated: \_\_\_\_\_, 2003  
a Florida corporation, as General Partner

By: \_\_\_\_\_  
Name: R. Donahue Peebles  
Title: President

**MIAMI BEACH REDEVELOPMENT  
AGENCY**

By: \_\_\_\_\_ Dated: \_\_\_\_\_, 2003  
Name: David Dermer  
Title: Chairman

Attest: \_\_\_\_\_  
Name: Robert Parcher  
Title: Secretary

**APPROVED:**

**CITY OF MIAMI BEACH**

By: \_\_\_\_\_ Dated: \_\_\_\_\_, 2003  
Name: David Dermer  
Title: Mayor

Attest: \_\_\_\_\_  
Name: Robert Parcher  
  
Title: City Clerk

## **EXHIBIT A**

### **DESCRIPTION OF THE LAND**

#### **RP LAND**

The South 12.65 feet (measured along the lot line) of Lots 7 and 14, all of Lots 6 and 15 and the North 10.0 feet (measured along the lot line) of Lots 5 and 16, all in Block 56, of FISHER'S FIRST SUBDIVISION OF ALTON BEACH, according to the plat thereof, as recorded in Plat Book 2, at Page 77, of the Public Records of Dade County, Florida, together with that certain parcel of land lying East and adjacent to the above described parcel; said parcel bounded on the South by the South line of the above described parcel extended Easterly; bounded on the North by the North line of the above described parcel extended Easterly; bounded on the East by the Erosion Control Line of the Atlantic Ocean and bounded on the West by the East line of the above mentioned Block 56.

#### **SHORECREST LAND**

The South 40.00 feet (measured along the lot line) of Lots 5 and 16 and the North one-half of Lots 4 and 17, all in Block 56, of FISHER'S FIRST SUBDIVISION OF ALTON BEACH, according to the plat thereof, as recorded in Plat Book 2, at Page 77, of the Public Records of Dade County, Florida, together with that certain parcel of land lying East and adjacent to the above described parcel; said parcel bounded on the South by the South line of the above described parcel extended Easterly; bounded on the North by the North line of the above described parcel extended Easterly; bounded on the East by the Erosion Control Line of the Atlantic Ocean and bounded on the West by the East line of the above mentioned Block 56.

All lands described above located, lying and being in Section 34, Township 53 South, Range 42 East, in the City of Miami Beach, Dade County, Florida.

**"EXHIBIT B"**

**List of Disputed Items  
10/9/2003**

The following is a list of outstanding disputes regarding the **Hotel Development Agreement**:

**ARTICLE 2. CONSTRUCTION**

**2.3. Completion of Construction of the Project**

- (b) Upon Substantial Completion of Construction of the Project Developer shall furnish the Owner with the following:
  - (vi) evidence that all FF&E necessary to use and operate the Hotel in accordance with Ground Lease, Management Agreement, Plans and Specs, and the Development Budget has been installed in the Hotel

**Tenant will provide evidence to satisfy Owner. Tenant states that it has provided a letter, dated March 12, 2003 in satisfaction of this requirement. Tenant to verify compliance within 30 days of LOI approval as provided in Section 10.2 of the October 9, 2003 LOI.**

**ARTICLE 4 OWNER PARTICIPATION**

**4.2. Owner's Right to Notice, Access and Review**

- (a) (v) the delivery by Developer to the Owner of two (2) copies of:
  - (1) all agreements with contractors (that will be provided upon settlement with Clark Construction), subcontractors, suppliers, vendors and other Persons supplying materials or services in connection with the Construction of the Project in excess of Two Hundred Fifty Thousand Dollars (\$250,000), which shall be aggregated with respect to each Person supplying materials or services;
  - (5) all drawdowns of equity and loan proceeds under the Loan Docs.
  - (7) Updated Development Budget
  - (8) all interior design control books

**ARTICLE 5. MISCELLANEOUS CONSTRUCTION PROVISIONS**

- 5.2 Names of Contractors, Materialmen, etc.** - Developer shall furnish to Owner, with a list of each contractor, subcontractor, vendor and supplier who is performing any labor or supplying material in excess of \$500,000 (except for FF&E)...

The items listed in Article 4 and Article 5 above, will be satisfied by the Tenant's delivery of an itemized "Project Cost Summarization" and Debt/Equity Capital Investment Summary ("Project Capitalization Recap") regarding the Project.

The following is a list of outstanding disputes regarding the **Agreement of Lease**:

#### **ARTICLE 11. MORTGAGES**

##### **11.13. Refinancing of Debt**

- (b) Refinancing Not Related to a Default - If Tenant refinances its Debt in the ordinary course of business, and not related to any Event of Default, the Net Refinancing Proceeds shall be applied in the following order:
  - (i) to Owner to pay the Purchase Price for Owner's Interest in the Premises;
  - (ii) to Tenant if any funds remain after paying Owner the full Purchase Price for Owner's Interest in the Premises
    - (1) Owner's subordination of its right to Rental shall be at the Subordinated Amount as of the date of such refinancing by Tenant.
    - (2) "Net Refinancing Proceeds" means the amount of the refinancing of the Debt less (x) the Balance immediately before such refinancing of the Debt, (y) the interest owing on such Balance, and (z) reasonable refinancing transaction expenses, brokerage commissions and prepayment fees and yield maintenance charges relating to the Debt to be refinanced.

Tenant has been requested to submit financial information regarding any possible refinancing to the Agency. As such, Tenant will provide Owner with an Affidavit relating to the Union Planters Bank loan modifications that have been closed to date summarizing the use and application of the additional loan proceeds and stating the fact that none of the loan proceeds were used (i) for distributions to any of the Borrower's partners or members, (ii) to repay any of the Borrower's partners or members, (iii) to repay any other person or entity which loaned money to the Borrower.

13.3 One (1) Hotel Manager The Developer will affirm that at all times during the Term and without interruption, both the Shorecrest Improvements and the RP Improvements shall be operated and managed by one and the same Hotel Manager.

Tenant states it has re-sent letter (dated January 15, 2003) affirming this condition is being complied with in accordance with the provision of the Lease Agreement,

and as such, deems this condition is satisfied. Tenant to verify compliance within 30 days of LOI approval as provided in Section 10.2 of the October 9, 2003 LOI.

**ARTICLE 10. Notice to Owner 10.1.(k)**

Tenant will provide notice to owner of any Capital Transaction not requiring Owner's consent not later than two (2) business days after the occurrence of such Capital Transaction...

Tenant states it has provided said notice in connection with the transaction described in the Certificate of Tenant and further provided a letter dated March 12, 2003 in satisfaction of this requirement. Tenant to verify compliance within 30 days of LOI approval as provided in Section 10.2 of the October 9, 2003 LOI.

F:\cmgr\SALL\CHRISTIN\RDA\royalpalm Exhibit B 10-9-03.doc

## **"EXHIBIT C"**

### **(CLARK EXHIBIT)**

The following is a list of outstanding Clark issues disputes regarding the **Hotel Development Agreement**:

#### **ARTICLE 2. CONSTRUCTION**

##### **2.3. Completion of Construction of the Project**

- (b) Upon Substantial Completion of Construction of the Project Developer shall furnish the Owner with the following:
  - (i) certificate of the Architect re: Substantial Completion
  - (iii) lien waivers in form and substance reasonably satisfactory to Owner, other than Clark Construction lien waivers that will be provided upon settlement with Clark Construction
  - (v) Contractor's Final Affidavit, to be provided upon settlement with Clark Construction

#### **ARTICLE 4 OWNER PARTICIPATION**

##### **4.2. Owner's Right to Notice, Access and Review**

- (b) The final critical path method ("CPM Schedule")

**The Developer will provide the last CPM Schedule provided by Clark in the Developer's possession. To the extent the Final CPM Schedule is provided as a result of the settlement of litigation with Clark, the Developer will provide same.**

#### **ARTICLE 14. DISCHARGE OF LIENS**

##### **14.2 Discharge of Liens**

- (a) If any mechanic's, laborer's, vendor's, materialman's, or similar statutory lien (including tax liens) is filed against the Project Site...Developer shall cause it to be discharged. However, Developer shall not be required to discharge any such lien if Developer has furnished Owner with, at Developer's option, a cash deposit, bond, letter of credit from an Institutional Lender or other security.

**As to liens filed by Clark Construction, the Developer agrees that upon settlement of litigation with Clark Construction, all liens will be discharged.**



**EXHIBIT "D"**

AMENDMENT RE TOWN PARK TO AGREEMENT OF LEASE

AMENDMENT TO AGREEMENT OF LEASE (the "Amendment") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2003 by and between RDP ROYAL PALM HOTEL LIMITED PARTNERSHIP, a Florida limited partnership ("Owner") and MIAMI BEACH REDEVELOPMENT AGENCY, a public body corporate and politic ("Tenant").

**WITNESSETH**

- A. Owner and Tenant entered into an Agreement of Lease, dated October 21, 1997, (the "Lease"), relating to real property more particularly described therein (the "Property").
- B. Town Park Hotel Corporation, a Tennessee corporation ("Town Park"), is the Hotel Manager (defined in the Lease) of the Hotel (defined in the Lease).
- C. Town Park and PADC Royal Palm Holdings, LLC ("Borrower") are parties to that certain Loan Agreement dated April 30, 2001 (the "Loan Agreement"), whereby Town Park agreed to convey to Borrower a forty-seven and 66/100 percent (47.66%) Class A limited partnership interest in Tenant in consideration for Borrower's execution and delivery of that certain Purchase Money Promissory Note in favor of Town Park (the "Note"), which Note evidences the loan by Town Park to Borrower (the "Loan").
- D. Town Park currently holds a one percent (1%) limited partnership interest in Tenant.
- E. Pursuant to Section 4.01(f) of the Loan Agreement, Town Park desires to confirm that the Loan will be treated as an equity interest in Tenant for purposes of the Lease so long as the Loan is outstanding.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. Recitals. The foregoing recitals are true and correct.
- 2. Equity Interest. Owner and Tenant hereby agree that to the extent that the Lease distinguishes between Town Park (in its capacity as Hotel Manager) holding or not holding any equity interest in Tenant, the Loan evidenced and secured by the Note shall be treated for purposes of the Lease as Town Park holding an equity interest in Tenant.
- 3. No Further Modification. Except as amended by this Amendment, the Lease and all of its terms and provisions shall remain in full force and effect. In the event of any conflict between the provisions of this Amendment and any provision of the

Lease, the provisions of this Amendment shall control. All capitalized terms herein shall have the same meanings as they have in the Lease, unless otherwise defined herein.

[Signature page follows.]

IN WITNESS WHEREOF, this Amendment has been duly executed by the parties hereto.

**WITNESSES:**

\_\_\_\_\_

Print Name

\_\_\_\_\_

\_\_\_\_\_

Print Name

\_\_\_\_\_

**“OWNER”:**

MIAMI BEACH REDEVELOPMENT  
AGENCY

By: \_\_\_\_\_

Print Name:

Title: \_\_\_\_\_

**“TENANT”:**

RDP ROYAL PALM HOTEL LIMITED  
PARTNERSHIP, a Florida limited partnership

By: PADC Hospitality Corporation I, a  
Florida corporation, as general partner

**WITNESSES:**

\_\_\_\_\_

Print Name

\_\_\_\_\_

\_\_\_\_\_

Print Name

\_\_\_\_\_

By: \_\_\_\_\_

Print Name:

Title: \_\_\_\_\_

**EXHIBIT "E"**

**RECOGNIZED MORTGAGE CONSENT LETTER**

UNION PLANTERS BANK  
2800 Ponce de Leon Blvd.  
Coral Gables, Florida 33134

\_\_\_\_\_, 2003

Miami Beach Redevelopment Agency  
Jorge Gonzalez, Executive Director  
1700 Convention Center Drive, Fourth Floor  
Miami Beach, Florida 33139

-and-

City of Miami Beach  
Jorge Gonzalez, City Manager  
1700 Convention Center Drive, Fourth Floor  
Miami Beach, Florida 33139

Re: Letter of Intent to Amend Royal Palm Crowne Plaza Resort Agreements dated  
\_\_\_\_\_, 2003 ("LOI")

Dear Mr. Gonzalez:

We are in receipt of a copy of the fully executed LOI.

We are the Recognized Mortgagee under the Lease which is the subject of the LOI as these terms are defined in the LOI and the Lease.

Section 11.10 of the Lease states in part as follows:

Owner agrees not to accept a voluntary surrender, termination or modification of this Lease at any time while such Recognized Mortgage(s) shall remain a lien on Tenant's leasehold estate. It is further understood and agreed that any such Recognized Mortgagee(s) shall not be bound by any surrender, termination or modification of this Lease unless such surrender, termination or modification is made with the prior written consent of such Recognized Mortgagee, and this Lease shall not terminate by merger or otherwise as long as the lien of the Recognized Mortgage(s) remains undischarged. ...

Miami Beach Redevelopment Agency  
Jorge Gonzalez, Executive Director

-and-

City of Miami Beach  
Jorge Gonzalez, City Manager  
\_\_\_\_\_, 2003

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Accordingly, we hereby consent to the LOI subject to the negotiation and execution of the Closing Documents (as defined in the LOI) with terms, provisions and conditions mutually acceptable to RDP, the Agency and the City as well as the obtaining of our approval.

Very truly yours,

Roy D. Tanis  
Senior Vice President

**LETTER OF INTENT  
TO AMEND ROYAL PALM  
CROWNE PLAZA RESORT AGREEMENTS**

Subject: Royal Palm Crowne Plaza Hotel  
Parties: RDP Royal Palm Hotel Limited Partnership ("RDP")

City of Miami Beach (the "City")

Miami Beach Redevelopment Agency (the "Agency")

Date: \_\_\_\_\_, 2003

**RECITATIONS:**

A. On May 28, 1998, the parties entered into an Agreement of Lease regarding the land more fully described on Exhibit "A" ("Land") attached hereto and made a part hereof as if fully set forth herein, as recorded on July 1, 1998 in Official Records Book 18170, at Page 0893, in the Public Records of Miami-Dade County, Florida ("Lease").

B. Subsequent to the recording of the Lease, RDP began the construction of the Royal Palm/Shorecrest Crowne Plaza Hotel ("Hotel").

C. During the construction of the Hotel, RDP encountered structural problems with the original Royal Palm Hotel and soil contamination problems regarding the Land which allegedly resulted in certain construction delays. A dispute arose amongst the parties regarding the aforesaid problems and delays resulting in RDP's refusal to pay certain Rental due under the Lease and the Agency's refusal to pay claims related to said contamination and alleged construction delays.

D. The parties respectively deny and dispute all such claims and allegations against them, whether asserted or unasserted.

E. The parties, wishing to avoid litigation and amicably resolve all matters existing between them, entered into negotiations regarding the aforesaid disputes. This letter sets forth the understanding reached as a result of such negotiations. Capitalized terms which are not defined in this Letter of Intent to Amend Royal Palm Crowne Plaza Resort Agreements ("LOI") shall have the meanings ascribed to them in the existing, applicable documents. "Agency" means, as appropriate, the Agency or the City or both, as the case may be.

F. Agency and Owner in their desire to maintain and fulfill their commitment to provide the African American community with opportunities in the hospitality industry, are willing to amend the Royal Palm Crowne Plaza agreements subject to the Hotel's continuing compliance with the Convention Center Agreement which provides, among other things, that the Hotel

owner and its successors and assigns make available Hotel facilities and services for support of the Convention Center events and to undertake joint marketing efforts.

**1. BACK RENT AND REAL ESTATE TAXES:**

1.1 Back Rent Prior To The Hotel Opening Date. RDP and the Agency agree that unavoidable delays attributed to the environmental and reconstruction delays occurred prior to the Hotel Opening Date. RDP has previously paid \$128,373.38 in Back Rent prior to the Hotel Opening Date; *i.e.*, from October 31, 2000 to May 14, 2002, and the Agency shall retain said amount in full settlement of all amounts due for Back Rent for the period prior to May 15, 2002. Additionally, RDP shall pay within five (5) days from the last execution of this LOI any and all applicable sales tax due and owing on said amount plus any interest and penalty assessed by the State of Florida against the City and/or the Agency for failure to pay applicable sales tax on said amount prior to the Hotel Opening Date.

1.2 Clark Credit. Subject to the conditions set forth in this Section 1.2, RDP shall pay to the Agency an amount up to \$140,000.00 ( the "Clark Credit") plus applicable sales tax when, and if, it settles its present litigation with The Clark Construction Group styled RDP Royal Palm Hotel, LP, Et Al. vs. The Clark Construction Group, Inc. vs. Arquitectonica International Corp., Et Al., U.S. District Court, Southern District of Florida, Case No. 01-3130-CIV-Middlebrooks ("Clark Litigation") or if it obtains a final non-appealable judgment in the Clark Litigation. RDP shall pay this amount to the Agency within ten (10) days of its receipt of funds from, and to the extent, either the settlement or the judgment provides excess funds after RDP pays its attorneys' fees and costs for the Clark Litigation. Article 4 of the Lease entitled "Late Charges" shall not apply to the payment of the Clark Credit. The application of the Clark Credit shall be treated as additional Back Rent which shall be due only if the conditions set forth in this Section are met and then only to that extent. Any amounts paid to the Agency under this Section 1.2 shall not apply to the eight percent (8%) return calculation as a component of the Purchase Price as defined in Section 36.1(d)(iii) of the Lease (the "Return"). This provision shall survive the payment of the Purchase Price.

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1.3 Back Rent After The Hotel Opening Date. Base Rent and Additional Rent due, plus applicable sales tax, from the period of May 15, 2002 to May 15, 2003 ("Post Opening Back Rent") shall be deferred and payable over the ten (10) year period commencing in Lease Year 5 and ending in Lease Year 14.

1.4 Real Estate Taxes. The parties acknowledge that the 2002 real estate taxes on the Improvements are unpaid and that said taxes are being appealed. On or before the date the Closing Documents are executed, RDP shall provide to the Agency proof that it has complied with the requirements of Section 32.2(b) of the Lease as to said taxes. Further, to the extent that sales

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taxes are due on real estate taxes which were the responsibility of RDP prior to the date of the execution of this LOI, RDP shall pay such taxes, penalties and penalty interest prior to the execution of the Closing Documents.

**2. FUTURE RENTAL:**

Additional Rent and Incentive Rent, plus applicable sales tax, due in Lease Years 2 through 5 shall be deferred and payable over the ten (10) year period commencing in Lease Year 6 and ending in Lease Year 15. Other than as stated in the preceding sentence, RDP shall continue to pay Base Rent, Additional Rent, and Incentive Rent (plus all applicable sales taxes on such non-deferred payments of same) as well as all other Rental from the date of execution of this LOI pursuant to the terms and conditions of the Lease.

**3. PURCHASE PRICE:**

3.1 Declaration of Covenants and Restrictions. The Declaration of Covenants and Restrictions shall be amended to provide that upon payment of the Purchase Price in full, the following changes shall be effective, but that said Declaration shall not otherwise be amended, modified or changed:

(1) with respect to the Shorecrest Land only, Section 2.2 shall no longer apply.

(2) with respect to both the RP Land and the Shorecrest Land, Section 2.3 shall no longer apply and if, as a result thereof, then applicable zoning ordinances, such as the current section 118-5 of the Miami Beach Code, require a covenant in lieu of unity of title, RDP shall cause such a covenant to be recorded as to said parcels.

3.2 Convention Center Agreement. The Convention Center Agreement shall be amended to provide that, upon payment of the Purchase Price in full, the "350 rooms per day" requirement stated in the Room Block definition shall be reduced to two hundred fifty seven (257) rooms per day. In all other respects, the definition of Room Block and the remainder of the Convention Center Agreement shall remain unchanged except as provided in paragraph 18.17 of this LOI.

3.3 Time for Payment in Full. The outside date for full payment of the Purchase Price shall be the Fixed Expiration Date rather than Lease Year 25 as presently provided for in the Lease. All Lease terms (such as those relating to Rental inflation increases, by way of example) that are presently adjusted in increments through Lease Year 25, shall be extended in the same increments to the Fixed Expiration Date.

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#### 4. REFINANCING:

The Refinancing Times stated in Section 11.13(a) of the Lease shall be changed to on or prior to the beginning of the fifth (5<sup>th</sup>) year after the Hotel Opening Date ("First Refinancing"); on or prior to ten (10) years after the closing of the First Refinancing ("Second Refinancing") and then every tenth (10th) anniversary of the Second Refinancing thereafter; provided however, that the maturity date of any refinancing that extends beyond the next required refinancing will not have to be repaid prior to its maturity provided said maturity date is no later than twenty (20) years from the last refinancing; provided further however, that when Tenant refinances the Balance of its Debt, the Net Refinancing Proceeds, as defined in Section 11.13(b) of the Lease, shall be applied to the extent available in the following order:

A. To Owner to pay the deferred Rental described in paragraphs 1.3 and 2 of this LOI;

B. Fifty percent (50%) to Owner to pay the Return applicable as part of the Purchase Price accrued and unpaid to date; and fifty percent (50%) to Tenant to repay Town Park Hotel Corporation, as Hotel Manager ("Town Park"), for Cost Overruns\* paid by Town Park (estimated at \$5 million).

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C. To Owner to pay the balance of the Return applicable as part of the Purchase Price accrued and unpaid to date;

D. Fifty percent (50%) to Owner to pay the Purchase Price (which includes the Return) for Owner's Interest in the Premises; and fifty percent 50% first to any amounts then still due Town Park as described in Section 4B, above, and then to Tenant for Tenant Cost Overruns\* paid by Tenant (estimated at \$2 million);

E. To Owner to pay the balance of the Purchase Price (which includes the Return) for Owner's Interest in the Premises; and

F. To Tenant if any funds remain after paying in full the amounts in paragraphs 4A-4E above.

\*Any Cost Overruns will be calculated net of (1) any Clark settlement proceeds paid to Tenant, directly or indirectly but (a) net of attorneys and other professional fees and court costs not reflected in Tenant's Cost Overrun calculation and not advanced by Town Park and (b) the Clark Credit to the extent paid to Owner, and (2) any prior overrun or equity repayments from the two (2) prior future advances paid to Tenant. Cost Overruns will be subject to a full accounting and review by Owner, with the exact amounts in paragraphs 4B and 4D to be agreed upon by the parties.

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5. **TENANT'S REPAYMENT OF THE RETURN:**

Beginning in Lease Year 25, and every ten (10) years thereafter, Tenant shall pay Owner any accrued and unpaid portion of the Return as follows:

A. Any and all unpaid portions of the Return accrued in Lease Years 1-25 will be amortized and paid over ten (10) years in Lease Years 26-35.

B. Any and all unpaid portions of the Return accrued in subsequent ten (10) Lease Year increments (*i.e.*, Lease Years 26-35, 36-45, 46-55, 56-65, 66-75, 76-85, 86-95, and 95-Fixed Expiration Date) will be amortized and paid over ten (10) years in the respective succeeding ten(10) year Lease Term periods (*i.e.*, Lease Years 36-45, 46-55, 56-65, 66-75, 76-85, 86-95, and 95-Fixed Expiration Date, respectively) and will be referred to as the "Amortized Return".

C. Commencing on Lease Year 35 and for each Lease Year thereafter, to the extent that the Base Rent, Additional Rent and the "Amortized Return", in aggregate, payable in each Lease Year is less than \$800,000, as adjusted for inflation (the "Rental Cap"), then in such Lease Year, Tenant shall pay the difference between the "Rental Cap" less the aggregate of Base Rent, Additional Rent and the "Amortized Return" for said Lease Year, as mandatory incentive rent (the "Mandatory Incentive Rent"). If in any such Lease Year, on or after Lease Year 35, Incentive Rent is payable, such Incentive Rent shall be due and payable even if such payment results in a payment that Lease Year in excess of the Rental Cap. "Rental Cap" is defined as the \$800,000 amount which shall be increased at the beginning of the tenth (10<sup>th</sup>) Lease Year, and ever five (5) years thereafter, in the proportion as the percentage increase in the GDP Implicit Price Deflator Index from the Hotel Opening Date.

6. **SALE OF THE HOTEL:**

In addition to the other provisions in the Lease regarding the Sale of the Hotel, upon the Sale of the Hotel the following shall occur:

A. All deferred and/or accrued and unpaid Rental and the Return shall be paid in full; and

B. All rental, including any deferrals thereof, as provided in the Ground Lease Amendment pursuant to this LOI, shall revert to the original Rental, without any deferrals thereof, as provided in the original Lease before the execution of the Ground Lease Amendment.

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**7. TOWN PARK HOTEL CORPORATION AS HOTEL MANAGER:**

7.1 Recitals B-E and paragraph 2 of the amendments proposed by Tenant in the Amendment Re Town Park to Agreement of Lease attached hereto and incorporated by reference herein as Exhibit "D" shall be included in the Ground Lease Amendment; provided however, that same shall terminate upon the Sale of the Hotel or the earlier to occur of (i) termination of the Hotel Management Agreement between RDP and Town Park or (ii) fifteen (15) years from Hotel Opening Date.

7.2 Section 16.7(e) of the Lease will be deleted in its entirety.

7.3 Any payments or costs in connection with the "Note" and/or "Loan", as defined in the Amendment Re Town Park to Agreement of Lease, will not be considered "Operating Expenses" as that term is defined in the Lease.

7.4 Tenant warrants and represents to Owner and the City that Recitals B-E of the amendments proposed by Tenant are true and correct and are a material inducement for Owner and the City to include these amendments in the Ground Lease Amendment.

**8. FF&E RESERVE:**

8.1 Hotel FF&E Reserve. The percentages stated in Section 16.5(a) of the Lease with respect to the Hotel shall be changed as follows:

<u>Lease Year</u>	<u>Percentages of Hotel Revenues</u>
1	0%
2	1%
3	2%
4	3%
5 and thereafter	4%

**9. SHORECREST RESTAURANT:**

9.1 Changes to Article 33 of the Lease. Article 33 of the Lease shall be amended to delete therefrom subsections (a) through (f) and to permit in the area originally contemplated for the Restaurant (the "Space") the construction of a spa, additional meeting space or other improvements for any reasonable hotel purpose that will benefit the operation of the Hotel; provided, however, that such uses are permissible under all applicable local laws and zoning ordinances. The sizes and dimensions of all such facilities within the Space shall be as reasonably determined by RDP and the Operators (defined below) of the respective facilities. Subsection (g) shall be amended to relate to any Operator. The amended Lease shall provide that such facilities shall not be subject to any further approval by the

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Agency except as provided in paragraphs 6.3 and 6.5, below, but the use and operation of said facilities shall be consistent with that of a first class hotel.

9.2 Fees and Costs. RDP shall be solely responsible for, and shall pay, at its sole cost and expense, any parking impact fees and any other costs, including but not limited to concurrency fees, permit fees and the like resulting from the new facilities.

9.3 The Space as a Condominium Unit. If the Space is located on the Shorecrest Land, and if RDP elects to create a condominium unit for the Space as permitted under the terms of the Lease, RDP shall cause the Declaration of Condominium to contain provisions that (i) the sale or lease of the Space unit shall be subject to the Agency's approval and (ii) the Space unit shall be operated in accordance with the quality standards referred to in paragraph 6 of this LOI.

9.4 Non-Disturbance Agreement. Upon request of RDP, the Agency shall execute a non-disturbance agreement in favor of a third party Space operator (an "Operator") containing terms generally found in such agreements in form and content reasonably acceptable to the Operator and the Agency, but the term of which shall be no longer than the earlier to occur of (i) the expiration of the third party Space agreement or (ii) twenty (20) years.

9.5 Operator Agreement. In the event the Space is managed or operated by an Operator pursuant to an agreement between RDP and Operator, said agreement shall be deemed to be Sublease under the Lease requiring Agency approval under Section 10.2(a)(v) of the Lease, the agreement shall contain quality standards pertaining to the operation and physical condition of the Space which shall be enforced by RDP, which standards and the selection of the Operator shall be subject to approval by the Agency.

#### **10. EXISTING DISPUTED ITEMS:**

10.1 List Of Disputed Items. Exhibit "B" entitled "List of Disputed Items" is attached hereto and incorporated by reference herein as a list of the current disputed items under the Lease and other related documents as of the date of last execution of this LOI ("RDP Items").

10.2 Curing of RDP Items. RDP shall cure all of the RDP Items on or before thirty (30) days from the date of execution of this LOI except for those items listed in Exhibit "C" attached hereto and specifically incorporated herein.

#### **11. RELEASES OF ALL CLAIMS BY RDP, THE AGENCY AND THE CITY:**

11.1 RDP Claims. RDP shall waive and release any and all alleged delay claims, environmental damage claims and any other claims of any kind whatsoever against the City and/or the Agency arising or accruing prior to the

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date of execution of the Closing Documents upon the execution of the Closing Documents.

11.2 Agency and City Claims. The Agency and the City shall waive and release their Owner's excess contribution claim and any other claims of any kind whatsoever against RDP upon the execution of the Closing Documents.

11.3 Acknowledgement. Provided that all of the terms and conditions of this LOI have been satisfied by all parties, the amendment to the Lease shall contain a written acknowledgment that all alleged claims and other alleged defaults have been cured, settled and or waived, that all controversies between the parties have been settled and that the Lease is in good standing and in full force and effect.

## 12. GARAGE EASEMENT AGREEMENT:

12.1 The Garage Easement Agreement shall be amended as appropriate to provide for and incorporate the following concepts:

A. The parties shall have no further obligation for the payment of Use Fees and Facility Usage Payments and no such payments are due either party as of the date of the execution of this LOI.

B. The words "and approved by Grantee" in Section 5(a) shall be deleted.

C. RDP shall have no affirmative obligation to use the Garage for its Hotel guests and employees.

D. Section 9(a) shall be deleted and the Garage Easement Agreement shall be removed from any cross default provisions contained in any of the Hotel related documents.

E. The term "self park rate" shall mean (i) the rates charged to the general public at the Garage facility and identified as the maximum daily rate or (ii) the valet rate charged by the Royal Palm Hotel at RDP's election.

12.2 The remainder of the Garage Easement Agreement shall remain in full force and effect.

12.3 In the event that RDP creates a hotel condominium on the Shorecrest Land, then, in that event, the parties to this LOI agree that there are no rights or agreements under the Garage Easement Agreement which will be transferred to the Shorecrest Hotel Condominium unit owners.

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**13. CONCESSION AGREEMENT UNDER THE LEASE:**

13.1 Fee Payment. RDP shall pay the Concession Fees due and owing, if any, under the Concession Agreement described in Exhibit 14.5 of the Lease on or before five (5) days after the last execution of this LOI. The parties are not now aware of any such outstanding fees.

13.2 License Fees. RDP shall pay or cause to be paid the corresponding occupational license fee in connection with the beachfront concession operation for the Hotel.

13.3 Shorecrest Condominium. In the event that RDP creates a hotel condominium on the Shorecrest Land, then, in that event, RDP shall pay (or cause the Shorecrest hotel condominium association to pay) the corresponding applicable beach concession fees consistent with those fees charged other upland private owners of hotel and condominium properties.

**14. CLARK CONSTRUCTION LITIGATION LIENS:**

The existing Clark Litigation liens and future liens, including liens filed or which may be filed by subcontractors, relating solely to the Clark Litigation, if any, against the leasehold interest of RDP in the Lease shall not be considered an Event of Default under any of the Hotel Documents so long as RDP diligently and in good faith continues to prosecute its claims to resolve all issues under the Clark Litigation; provided however, that nothing contained herein shall relieve RDP of its responsibility to remove these liens and to resolve those matters contained in Exhibit "C", either by resolution of the Clark Litigation or otherwise.

**15. ATTORNEYS FEES:**

Each party shall bear its own legal fees relating to this LOI and the Closing Documents except that RDP shall reimburse the Agency at the time of the execution date of the Closing Documents its legal fees up to the first \$60,000 charged by Bloom & Minsker, P.L., based upon an hourly rate of \$250.00. Agency shall provide to RDP detailed statements for professional services showing time and activity on a daily basis supporting said reimbursement.

**16. ADDITIONAL TERMS, CONDITIONS AND ISSUES NOT COVERED IN THIS LOI:**

Because of the complex nature of the documents involved and the changes being considered as a result of this LOI, RDP, the Agency and the City shall have the right to raise additional terms and conditions and issues not covered in this LOI and which are not inconsistent with the terms of this LOI as the actual drafting of the documents occurs and continues.

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**17. SPECIAL INDEMNIFICATION BY RDP:**

RDP shall indemnify and hold harmless and shall provide defense for the Agency and the City by counsel reasonably acceptable to the Agency and the City regarding any and all matters arising out of, or relating directly or indirectly to, any challenges by any third parties to this LOI and the Closing Documents except for those challenges arising out of the Clark Credit, the payment and partial waiver of Back Rent and the settlement of alleged delay claims attributed to the environmental damage and reconstruction delays referred to in paragraph 1.1 of this LOI.

**18. COMPLETION GUARANTEE:**

18.1 The Agency and the City acknowledge that the Guarantor under the Completion Guarantee given to the Agency and the City shall be terminated upon delivery to the Agency and the City of the certificate by the Architect described in Section 2(i) of said Guarantee and Final CO's are issued as contemplated by Section 2(ii) of said Guarantee. In all other respects, Guarantor has complied with its obligations under the Guarantee. The Completion Deadline is tolled until said certificate is delivered and the Final CO's are issued.

**19. DECLARATION OF COVENANTS AND RESTRICTIONS:**

19.1 The parties acknowledge that the payment in full by RDP of the Purchase Price to the Agency shall not terminate the Declaration.

**20. CLERICAL CHANGES TO THE LEASE AND RELATED EXISTING DOCUMENTS:**

Non-substantive clerical changes such as current mailing addresses in the notice provisions and grammatical errors in the Hotel Documents shall be corrected in the Closing Documents.

**21. GENERAL:**

21.1 Definitive Agreements. Upon execution of this LOI by RDP, the approval of the terms hereof by the appropriate Agency and City governing bodies and the execution of this LOI by the appropriate Agency and City officials, the Closing Documents shall be drafted. Tenant shall submit first drafts of all of the Closing Documents to the Agency within fifteen (15) days after such approval. The Closing Documents will contain, among other things, representations, warranties, conditions, covenants and indemnities and the like typical in similar transactions, subject to the terms hereof. Furthermore, the parties to this LOI recognize that due to the complexity of the structure of these transactions, not all of the major legal issues have been covered by this LOI. The consummation of the transactions contemplated hereby is conditioned upon the negotiation and execution of the Closing Documents with terms, provisions and conditions mutually acceptable to RDP, the Agency and the City as well as the obtaining of

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all necessary lender approvals and the satisfaction of the parties with all other agreements and matters necessary or desirable with respect to the transactions contemplated hereby. The parties shall comply with all applicable laws, statutes, regulations and requirements and performance by the Agency, the City and RDP under this LOI and the Closing Documents shall be subject thereto. The following is a list of the documents which may need to be amended or created (said list is not meant to be inclusive of all required agreement) and additional agreements shall be executed by the parties to this LOI as required:

LIST OF AGREEMENTS

- A. GROUND LEASE AMENDMENT
- B. CONVENTION CENTER AGREEMENT AMENDMENT
- C. DECLARATION OF COVENANTS AND RESTRICTIONS AMENDMENT
- D. GARAGE EASEMENT AMENDMENT
- E. AGENCY'S RELEASE OF CLAIMS
- F. CITY'S RELEASE OF CLAIMS
- G. RDP'S RELEASE OF CLAIMS
- H. SPECIAL INDEMNIFICATION BY RDP
- I. TERMINATION OF COMPLETION GUARANTY
- J. UCC FINANCING STATEMENTS - to renew lease UCC-1's as amended by Ground Lease Amendment

21.2 Assignment by Agency. In the event the Agency ceases to exist, the Closing Documents will provide that the rights granted to the Agency will inure to the benefit of the City and the City will be bound to perform the obligations therein.

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21.3 Termination. This LOI may be terminated by either party if the Closing Documents have not been executed by six (6) months from the execution date of this LOI.

21.4 Non-binding. Except for the last sentence in paragraph 1.1 hereinabove and paragraph 21.11 hereinbelow which the parties to this LOI intend to be binding, (i) no party shall have any legally binding obligation to any other party under this LOI until such time as the Closing Documents are executed by all parties thereto; and (ii) no party will have any liability whatsoever under this LOI to any other party for failure to perform in accordance with this LOI, if any party decides to terminate this LOI or for any other reason related to this LOI.

21.5 Amendments. This LOI may be amended only by a written agreement executed by both of RDP and the Agency.

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21.6 Governing Law and Venue. This LOI, the Closing Documents and their interpretation, validity and performance, shall be governed by the laws of the State of Florida, both substantive and remedial, without regard to principles of conflict of laws. The venue for any litigation arising out of this LOI or the Closing Documents shall be the Eleventh Judicial Circuit, Miami-Dade County, Florida, if in state court, and the U.S. District Court, Southern District of Florida, if in federal court.

21.7 "Approval" or "Consent." The use of the terms "approval" or "consent" in this LOI shall always be deemed to mean Areasonable approval@ or Areasonable consent@ except where specifically provided otherwise.

21.8 Counterparts. This LOI may be executed in counterparts and all such counterparts, when taken together, shall constitute this LOI.

21.9 Recognized Mortgagee Consent Letter. Tenant shall cause Union Planters Bank, the Recognized Mortgagee, to execute and deliver its letter consenting to this LOI as shown in Exhibit "E" attached hereto and incorporated by reference herein (the "Consent Letter") to the Agency and the City no later than thirty (30) days from the date of execution of this LOI ("Consent Letter Delivery Date"). The parties hereto agree that, except for the last sentence in paragraph 1.1 and paragraph 21.11 of this LOI, the remainder of this LOI shall not be in effect until the Consent Letter Delivery Date. In the event the Consent Letter is not delivered by the Consent Letter Delivery Date, then, in that event, except for the last sentence in paragraph 1.1 and paragraph 21.11 of this LOI, the remainder of this LOI shall be null and void and of no further force or effect.

**Deleted:** The parties also agree that no drafting or other legal work shall commence regarding the Closing Documents until the Consent Letter Delivery Date.

21.10 Successors and Assigns. All references to any of the parties to this LOI shall include their permitted successors and permitted assigns.

21.11 Attorneys' Fees. In the event litigation arises solely under the last sentence in paragraph 1.1 hereinabove, then, in that event, the prevailing party shall be entitled to recover its attorneys' fees and court costs, including those involving appeals and/or post-judgment proceedings, if any.

21.12 LOI In Effect. This LOI shall remain in effect as provided hereinabove provided that RDP shall maintain the Lease and related existing documents in good standing and free of any defaults (the parties agreeing that the issues covered elsewhere in this LOI shall not be deemed defaults for purposes of this paragraph 21.12) during the pendency of this LOI; the failure of which shall automatically result in this LOI being terminated and of no further force and effect other than the specific binding paragraphs as provided in paragraph 21.4 of this LOI.

21.13 Privileged Settlement Communication. This LOI is a privileged settlement communication except for the specific binding paragraphs as provided in paragraph 21.4 of this LOI. The remainder of this LOI is strictly inadmissible

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for any purpose pursuant to Section 90.408, Florida Statutes and Rule 408, Federal Rules of Evidence.

21.14 Statements Against Interest. Any statements made by any party to this LOI contained in this LOI have been made solely for the purpose of resolving all matters existing between the parties to this LOI. All parties to this LOI recognize and agree that any such statements may not be correct as applied to any other person or entities not a party to this LOI and more specifically, all parties to this LOI recognize and agree that any such statements may not be correct as applied to the Clark Litigation.

21.15 Recording Fees and the Like. RDP shall pay all recording fees and the like for all of the Closing Documents or any other documents contemplated by this LOI.

21.16 Waiver of Jury Trial. All of the Closing Documents shall, where applicable, contain a waiver of jury trial provision.

21.17 Cross Default. The Convention Center Agreement shall be amended to provide that a default in the Declaration shall be a default in the Convention Center Agreement.

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**AGREED AND ACKNOWLEDGED:**

**RDP ROYAL PALM HOTEL LIMITED  
PARTNERSHIP, a Florida limited partnership**

By: PADC HOSPITALITY CORPORATION I, Dated: \_\_\_\_\_, 2003  
a Florida corporation, as General Partner

By: \_\_\_\_\_  
Name: R. Donahue Peebles  
Title: President

**MIAMI BEACH REDEVELOPMENT  
AGENCY**

By: \_\_\_\_\_ Dated: \_\_\_\_\_, 2003  
Name: David Dermer  
Title: Chairman

Attest: \_\_\_\_\_  
Name: Robert Parcher  
Title: Secretary

**APPROVED:**

**CITY OF MIAMI BEACH**

By: \_\_\_\_\_ Dated: \_\_\_\_\_, 2003  
Name: David Dermer  
Title: Mayor

Attest: \_\_\_\_\_  
Name: Robert Parcher  
Title: City Clerk

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## **EXHIBIT A**

### **DESCRIPTION OF THE LAND**

#### **RP LAND**

The South 12.65 feet (measured along the lot line) of Lots 7 and 14, all of Lots 6 and 15 and the North 10.0 feet (measured along the lot line) of Lots 5 and 16, all in Block 56, of FISHER'S FIRST SUBDIVISION OF ALTON BEACH, according to the plat thereof, as recorded in Plat Book 2, at Page 77, of the Public Records of Dade County, Florida, together with that certain parcel of land lying East and adjacent to the above described parcel; said parcel bounded on the South by the South line of the above described parcel extended Easterly; bounded on the North by the North line of the above described parcel extended Easterly; bounded on the East by the Erosion Control Line of the Atlantic Ocean and bounded on the West by the East line of the above mentioned Block 56.

#### **SHORECREST LAND**

The South 40.00 feet (measured along the lot line) of Lots 5 and 16 and the North one-half of Lots 4 and 17, all in Block 56, of FISHER'S FIRST SUBDIVISION OF ALTON BEACH, according to the plat thereof, as recorded in Plat Book 2, at Page 77, of the Public Records of Dade County, Florida, together with that certain parcel of land lying East and adjacent to the above described parcel; said parcel bounded on the South by the South line of the above described parcel extended Easterly; bounded on the North by the North line of the above described parcel extended Easterly; bounded on the East by the Erosion Control Line of the Atlantic Ocean and bounded on the West by the East line of the above mentioned Block 56.

All lands described above located, lying and being in Section 34, Township 53 South, Range 42 East, in the City of Miami Beach, Dade County, Florida.

**"EXHIBIT B"**

**List of Disputed Items**  
**10/9/2003**

The following is a list of outstanding disputes regarding the Hotel Development Agreement:

**ARTICLE 2. CONSTRUCTION**

**2.3. Completion of Construction of the Project**

- (b) Upon Substantial Completion of Construction of the Project Developer shall furnish the Owner with the following:
  - (vi) evidence that all FF&E necessary to use and operate the Hotel in accordance with Ground Lease, Management Agreement, Plans and Specs, and the Development Budget has been installed in the Hotel

Tenant will provide evidence to satisfy Owner. Tenant states that it has provided a letter, dated March 12, 2003 in satisfaction of this requirement. Tenant to verify compliance within 30 days of LOI approval as provided in Section 10.2 of the October 9, 2003 LOI.

**ARTICLE 4 OWNER PARTICIPATION**

**4.2. Owner's Right to Notice, Access and Review**

- (a) (v) the delivery by Developer to the Owner of two (2) copies of:
  - (1) all agreements with contractors (that will be provided upon settlement with Clark Construction), subcontractors, suppliers, vendors and other Persons supplying materials or services in connection with the Construction of the Project in excess of Two Hundred Fifty Thousand Dollars (\$250,000), which shall be aggregated with respect to each Person supplying materials or services;
  - (5) all drawdowns of equity and loan proceeds under the Loan Docs.
  - (7) Updated Development Budget
  - (8) all interior design control books

**ARTICLE 5. MISCELLANEOUS CONSTRUCTION PROVISIONS**

5.2 Names of Contractors, Materialmen, etc. - Developer shall furnish to Owner, with a list of each contractor, subcontractor, vendor and supplier who is performing any labor or supplying material in excess of \$500,000 (except for FF&E)...

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DISPUTED ITEMS¶

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TO BE UPDATED BY CHRISTINA CUERVO¶

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EXHIBIT "C"

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CONSTRUCTION ITEMS¶

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CHRISTINA CUERVO¶

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The items listed in Article 4 and Article 5 above, will be satisfied by the Tenant's delivery of an itemized "Project Cost Summarization" and Debt/Equity Capital Investment Summary ("Project Capitalization Recap") regarding the Project.

The following is a list of outstanding disputes regarding the Agreement of Lease:

#### **ARTICLE 11. MORTGAGES**

##### **11.13. Refinancing of Debt**

- (b) Refinancing Not Related to a Default - If Tenant refinances its Debt in the ordinary course of business, and not related to any Event of Default, the Net Refinancing Proceeds shall be applied in the following order:
  - (i) to Owner to pay the Purchase Price for Owner's Interest in the Premises;
  - (ii) to Tenant if any funds remain after paying Owner the full Purchase Price for Owner's Interest in the Premises
    - (1) Owner's subordination of its right to Rental shall be at the Subordinated Amount as of the date of such refinancing by Tenant.
    - (2) "Net Refinancing Proceeds" means the amount of the refinancing of the Debt less (x) the Balance immediately before such refinancing of the Debt, (y) the interest owing on such Balance, and (z) reasonable refinancing transaction expenses, brokerage commissions and prepayment fees and yield maintenance charges relating to the Debt to be refinanced.

Tenant has been requested to submit financial information regarding any possible refinancing to the Agency. As such, Tenant will provide Owner with an Affidavit relating to the Union Planters Bank loan modifications that have been closed to date summarizing the use and application of the additional loan proceeds and stating the fact that none of the loan proceeds were used (i) for distributions to any of the Borrower's partners or members, (ii) to repay any of the Borrower's partners or members, (iii) to repay any other person or entity which loaned money to the Borrower.

13.3 One (1) Hotel Manager The Developer will affirm that at all times during the Term and without interruption, both the Shorecrest Improvements and the RP Improvements shall be operated and managed by one and the same Hotel Manager.

Tenant states it has re-sent letter (dated January 15, 2003) affirming this condition is being complied with in accordance with the provision of the Lease Agreement.

and as such, deems this condition is satisfied. Tenant to verify compliance within 30 days of LOI approval as provided in Section 10.2 of the October 9, 2003 LOI.

**ARTICLE 10. Notice to Owner 10.1.(k)**

Tenant will provide notice to owner of any Capital Transaction not requiring Owner's consent not later than two (2) business days after the occurrence of such Capital Transaction...

Tenant states it has provided said notice in connection with the transaction described in the Certificate of Tenant and further provided a letter dated March 12, 2003 in satisfaction of this requirement. Tenant to verify compliance within 30 days of LOI approval as provided in Section 10.2 of the October 9, 2003 LOI.

F:\cmr\p\SALL\CHRISTIN\RD\Aroyal\palm Exhibit B 10-9-03.doc

**"EXHIBIT C"**

**(CLARK EXHIBIT)**

The following is a list of outstanding Clark issues disputes regarding the Hotel Development Agreement:

**ARTICLE 2. CONSTRUCTION**

**2.3. Completion of Construction of the Project**

- (b) Upon Substantial Completion of Construction of the Project Developer shall furnish the Owner with the following:
  - (i) certificate of the Architect re: Substantial Completion
  - (iii) lien waivers in form and substance reasonably satisfactory to Owner, other than Clark Construction lien waivers that will be provided upon settlement with Clark Construction
  - (v) Contractor's Final Affidavit, to be provided upon settlement with Clark Construction

**ARTICLE 4 OWNER PARTICIPATION**

**4.2. Owner's Right to Notice, Access and Review**

- (b) The final critical path method ("CPM Schedule")

The Developer will provide the last CPM Schedule provided by Clark in the Developer's possession. To the extent the Final CPM Schedule is provided as a result of the settlement of litigation with Clark, the Developer will provide same.

**ARTICLE 14. DISCHARGE OF LIENS**

**14.2 Discharge of Liens**

- (a) If any mechanic's, laborer's, vendor's, materialman's, or similar statutory lien (including tax liens) is filed against the Project Site...Developer shall cause it to be discharged. However, Developer shall not be required to discharge any such lien if Developer has furnished Owner with, at Developer's option, a cash deposit, bond, letter of credit from an Institutional Lender or other security.

As to liens filed by Clark Construction, the Developer agrees that upon settlement of litigation with Clark Construction, all liens will be discharged.



**EXHIBIT "D"**

**AMENDMENT RE TOWN PARK TO AGREEMENT OF LEASE**

AMENDMENT TO AGREEMENT OF LEASE (the "Amendment") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2003 by and between RDP ROYAL PALM HOTEL LIMITED PARTNERSHIP, a Florida limited partnership ("Owner") and MIAMI BEACH REDEVELOPMENT AGENCY, a public body corporate and politic ("Tenant").

**WITNESSETH**

- A. Owner and Tenant entered into an Agreement of Lease, dated October 21, 1997, (the "Lease"), relating to real property more particularly described therein (the "Property").
- B. Town Park Hotel Corporation, a Tennessee corporation ("Town Park"), is the Hotel Manager (defined in the Lease) of the Hotel (defined in the Lease).
- C. Town Park and PADC Royal Palm Holdings, LLC ("Borrower") are parties to that certain Loan Agreement dated April 30, 2001 (the "Loan Agreement"), whereby Town Park agreed to convey to Borrower a forty-seven and 66/100 percent (47.66%) Class A limited partnership interest in Tenant in consideration for Borrower's execution and delivery of that certain Purchase Money Promissory Note in favor of Town Park (the "Note"), which Note evidences the loan by Town Park to Borrower (the "Loan").
- D. Town Park currently holds a one percent (1%) limited partnership interest in Tenant.
- E. Pursuant to Section 4.01(f) of the Loan Agreement, Town Park desires to confirm that the Loan will be treated as an equity interest in Tenant for purposes of the Lease so long as the Loan is outstanding.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. Recitals. The foregoing recitals are true and correct.
- 2. Equity Interest. Owner and Tenant hereby agree that to the extent that the Lease distinguishes between Town Park (in its capacity as Hotel Manager) holding or not holding any equity interest in Tenant, the Loan evidenced and secured by the Note shall be treated for purposes of the Lease as Town Park holding an equity interest in Tenant.
- 3. No Further Modification. Except as amended by this Amendment, the Lease and all of its terms and provisions shall remain in full force and effect. In the event of any conflict between the provisions of this Amendment and any provision of the

Lease, the provisions of this Amendment shall control. All capitalized terms herein shall have the same meanings as they have in the Lease, unless otherwise defined herein.

[Signature page follows.]

IN WITNESS WHEREOF, this Amendment has been duly executed by the parties hereto.

**WITNESSES:**

**"OWNER":**

MIAMI BEACH REDEVELOPMENT  
AGENCY

\_\_\_\_\_

Print Name

\_\_\_\_\_

Print Name

By: \_\_\_\_\_  
Print Name:

Title: \_\_\_\_\_

**"TENANT":**

RDP ROYAL PALM HOTEL LIMITED  
PARTNERSHIP, a Florida limited partnership

By: PADC Hospitality Corporation I, a  
Florida corporation, as general partner

**WITNESSES:**

\_\_\_\_\_

Print Name

\_\_\_\_\_

Print Name

By: \_\_\_\_\_  
Print Name:

Title: \_\_\_\_\_

**EXHIBIT "E"**

**RECOGNIZED MORTGAGE CONSENT LETTER**

UNION PLANTERS BANK  
2800 Ponce de Leon Blvd.  
Coral Gables, Florida 33134

\_\_\_\_\_, 2003

Miami Beach Redevelopment Agency  
Jorge Gonzalez, Executive Director  
1700 Convention Center Drive, Fourth Floor  
Miami Beach, Florida 33139

-and-

City of Miami Beach  
Jorge Gonzalez, City Manager  
1700 Convention Center Drive, Fourth Floor  
Miami Beach, Florida 33139

Re: Letter of Intent to Amend Royal Palm Crowne Plaza Resort Agreements dated  
\_\_\_\_\_, 2003 ("LOI")

Dear Mr. Gonzalez:

We are in receipt of a copy of the fully executed LOI.

We are the Recognized Mortgagee under the Lease which is the subject of the LOI as these terms are defined in the LOI and the Lease.

Section 11.10 of the Lease states in part as follows:

Owner agrees not to accept a voluntary surrender, termination or modification of this Lease at any time while such Recognized Mortgage(s) shall remain a lien on Tenant's leasehold estate. It is further understood and agreed that any such Recognized Mortgagee(s) shall not be bound by any surrender, termination or modification of this Lease unless such surrender, termination or modification is made with the prior written consent of such Recognized Mortgagee, and this Lease shall not terminate by merger or otherwise as long as the lien of the Recognized Mortgage(s) remains undischarged. ...

Miami Beach Redevelopment Agency  
Jorge Gonzalez, Executive Director

-and-

City of Miami Beach  
Jorge Gonzalez, City Manager  
\_\_\_\_\_, 2003

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Accordingly, we hereby consent to the LOI subject to the negotiation and execution of the Closing Documents (as defined in the LOI) with terms, provisions and conditions mutually acceptable to RDP, the Agency and the City as well as the obtaining of our approval.

Very truly yours,

Roy D. Tanis  
Senior Vice President

ROYAL PALM 10/9/03

Pre-Opening Rent Paid  
Back Rent-Prior to Hotel Opening Date  
(May 15, 2002):  
Rent Due from Hotel Opening Date  
(May 15, 2002):

Period/ Year	Existing Lease Annual Rent Assume Aug 01	LOI Terms 30-Apr-03	Proposal Rental 26-Sep-03	Return 26-Sep-03	Total 26-Sep-03	Period/ Year	Proposal Rental 26-Sep-03	Return 26-Sep-03	Total 26-Sep-03
	\$ 128,333.38	\$ 128,333.38	\$ 128,333.38		\$ 128,333.38		\$ 128,333.38		\$ 128,333.38
	\$ 749,583.29	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -
1	\$ 490,000.00	\$ 490,000.00	\$ -	\$ -	\$ -	1	\$ -	\$ -	\$ -
2	\$ 490,000.00	\$ 490,000.00	\$ 220,000.00	\$ -	\$ 220,000.00	2	\$ 220,000.00	\$ -	\$ 220,000.00
3	\$ 490,000.00	\$ 490,000.00	\$ 220,000.00	\$ -	\$ 220,000.00	3	\$ 220,000.00	\$ -	\$ 220,000.00
4	\$ 490,000.00	\$ 490,000.00	\$ 220,000.00	\$ -	\$ 220,000.00	4	\$ 220,000.00	\$ -	\$ 220,000.00
5	\$ 490,000.00	\$ 490,000.00	\$ 269,000.00	\$ -	\$ 269,000.00	5	\$ 269,000.00	\$ -	\$ 269,000.00
6	\$ 490,000.00	\$ 490,000.00	\$ 647,000.00	\$ -	\$ 647,000.00	6	\$ 647,000.00	\$ -	\$ 647,000.00
7	\$ 490,000.00	\$ 490,000.00	\$ 647,000.00	\$ -	\$ 647,000.00	7	\$ 647,000.00	\$ -	\$ 647,000.00
8	\$ 490,000.00	\$ 490,000.00	\$ 647,000.00	\$ -	\$ 647,000.00	8	\$ 647,000.00	\$ -	\$ 647,000.00
9	\$ 490,000.00	\$ 490,000.00	\$ 647,000.00	\$ -	\$ 647,000.00	9	\$ 647,000.00	\$ -	\$ 647,000.00
10	\$ 490,000.00	\$ 490,000.00	\$ 647,000.00	\$ -	\$ 647,000.00	10	\$ 647,000.00	\$ -	\$ 647,000.00
11	\$ 490,000.00	\$ 490,000.00	\$ 647,000.00	\$ -	\$ 647,000.00	11	\$ 647,000.00	\$ -	\$ 647,000.00
12	\$ 490,000.00	\$ 490,000.00	\$ 647,000.00	\$ -	\$ 647,000.00	12	\$ 647,000.00	\$ -	\$ 647,000.00
13	\$ 490,000.00	\$ 490,000.00	\$ 647,000.00	\$ -	\$ 647,000.00	13	\$ 647,000.00	\$ -	\$ 647,000.00
14	\$ 490,000.00	\$ 490,000.00	\$ 647,000.00	\$ -	\$ 647,000.00	14	\$ 647,000.00	\$ -	\$ 647,000.00
15	\$ 490,000.00	\$ 490,000.00	\$ 598,000.00	\$ -	\$ 598,000.00	15	\$ 598,000.00	\$ -	\$ 598,000.00
16	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	16	\$ 490,000.00	\$ -	\$ 490,000.00
17	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	17	\$ 490,000.00	\$ -	\$ 490,000.00
18	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	18	\$ 490,000.00	\$ -	\$ 490,000.00
19	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	19	\$ 490,000.00	\$ -	\$ 490,000.00
20	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	20	\$ 490,000.00	\$ -	\$ 490,000.00
21	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	21	\$ 490,000.00	\$ -	\$ 490,000.00
22	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	22	\$ 490,000.00	\$ -	\$ 490,000.00
23	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	23	\$ 490,000.00	\$ -	\$ 490,000.00
24	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	24	\$ 490,000.00	\$ -	\$ 490,000.00
25	\$ 490,000.00	\$ 490,000.00	\$ 490,000.00	\$ -	\$ 490,000.00	25	\$ 490,000.00	\$ -	\$ 490,000.00
Sum of Payments thru Year 25 plus return & PP, if any	\$ 16,872,083.33	\$ 17,621,666.62	\$ -	\$ 7,621,666.62	\$ 7,621,666.62	26	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
NPV	\$9,663,683.08	\$9,143,197.71			\$6,772,839.90	27	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
28						28	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
29						29	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
30						30	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
31						31	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
32						32	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
33						33	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
34						34	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
35						35	\$ 490,000.00	\$ 762,166.66	\$ 1,252,166.66
36						36	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
37						37	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
38						38	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
39						39	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
40						40	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
41						41	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
42						42	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
43						43	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
44						44	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
45						45	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
46						46	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
47						47	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
48						48	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
49						49	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
50						50	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
51						51	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
52						52	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
53						53	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
54						54	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
55						55	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
56						56	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
57						57	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
58						58	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
59						59	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
60						60	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
61						61	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
62						62	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
63						63	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
64						64	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
65						65	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
66						66	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
67						67	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
68						68	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
69						69	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
70						70	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
71						71	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
72						72	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
73						73	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
74						74	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
75						75	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
76						76	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
77						77	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
78						78	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
79						79	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
80						80	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
81						81	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
82						82	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
83						83	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
84						84	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
85						85	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
86						86	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
87						87	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
88						88	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
89						89	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
90						90	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
91						91	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
92						92	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
93						93	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
94						94	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
95						95	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
96						96	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
97						97	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
98						98	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
99						99	\$ 490,000.00	\$ 310,000.00	\$ 800,000.00
100						100	\$ 10,000,000.00	\$ 2,870,000.00	\$ 12,870,000.00
NPV						NPV			\$8,733,522.08

NOTE: RENTAL SUBJECT TO GDP IMPLICIT PRICE DEFLATOR INDEX AS PROVIDED IN THE LEASE

ASSUMPTIONS:		
Royal Palm Settlement 9/26/03 *		
Owner Contribution	\$	10,000,000.00
Return		8%
NPV Comparison		6%
Annual Rent	\$	490,000.00
Amortization Period of 1st Year		
Unpaid Rent & 4 Years Additional		
Rent		10
Annual Return (8% of \$10,000,000		
less Annual Rent)	\$	310,000.00

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